Daily Report

East Europe

FBIS-EEU-91-153
Thursday
8 August 1991

Daily Report
East Europe

FBIS-EEU-91-153 *8 August 1991*

CONTENTS

NOTICE TO READERS: * indicates material not disseminated in electronic form.

ALBANIA

Crowds Seize Ships, Storm Party Building *[ATA]* 1
Council of Ministers Communique *[ATA]* 1
Socialist Party Appeal *[Tirana Radio]* 1
Alia, Leaders Discuss Impact of SFRY Crisis *[ATA]* 2
Troops Put on Alert Along Border *[AFP]* 3
National Unity Party Statement *[Tirana Radio]* 3
Hoxha Monument Removed From Officers School *[ATA]* 3
Bulgarian Parliamentary Delegation Arrives *[ATA]* 3
Bufi Speaks at National Youth Meeting *[ATA]* 4
Seminar Held on Enforcement of Land Law *[ATA]* 4

BULGARIA

Zhelev: Electoral Bill Article Violates Rights *[BTA]* 5
Zhelev Attends Army Leaders' Promotion Ceremony *[Sofia Radio]* 5
Vulkov on Soviet Treaty, Yugoslavia, Balkans *[OTECHESTVEN VESTNIK 31 Jul]* 5
Ex-KGB Colonel on Interservice Cooperation *[FAKS 1 Aug]* 6
Ethics Commission To Examine MP's Misconduct *[DUMA 3 Aug]* 6
SDS Parties Form Political Consultative Council *[Sofia Radio]* 7
SDS Attitude Toward Cooperation With USSR *[FAKS 1 Aug]* 7
Radical Democrats Want One SDS Election List *[DEMOKRATSIYA 2 Aug]* 8
BSP Faction Leaders on Internal Party Split *[DEMOKRATSIYA 30 Jul]* 8
BSP's Yonchev on Advantages of Political Center *[OTECHESTVEN VESTNIK 30 Jul]* 9
BSDP Answers Appeal for Extraordinary Congress *[SVOBODEN NAROD 31 Jul]* 10
Podkrepa Against Canceling Labor Code Clause *[BTA]* 10
Edinstvo's Stalev on Upcoming Elections *[TRUD 2 Aug]* 11
IMF Supports Government Price Policies *[BTA]* 11

CZECHOSLOVAKIA

Klaus: Czech Minister 'Sabotaging' Privatization *[CTK]* 12
HZDS Chairman Meciar on Slovak Government *[Bratislava Radio]* 12
Carnogursky Comments on Slovakia's Place in Europe *[CTK]* 13
Reaction to Liberal Democratic Party Declaration *[OBCANSKY DENIK 3 Aug]* 13
CSSD Official Discusses Coalition Possibilities *[RUDE PRAVO 30 Jul]* 14
Commentary Views Motives Behind Gabcikovo Dispute *[Jelinek in MLADA FRONT DNES 3 Aug]* 15
Official on Army Redeployment, Reorganization *[Bratislava Radio]* 15

HUNGARY

Controversy Over Soviet Compensation Continues *[MTI]* 16
Defense Ministry Briefing on Talks With USSR *[Budapest Radio]* 16
Data on Pollution Caused by Soviet Army Reported *[MAGYAR HIRLAP 1 Aug]* 16
Finance Minister Reports on Unemployment, Budget *[MTI]* 17
Welfare Ministry Official on Social Safety Net *[MAGYAR NEMZET 31 Jul]* 17
Number of Strike Participants Reportedly 300,000 *[MTI]* 18
Defense Minister Cautions SFRY on Violations *[TANJUG]* 18
Daily on 'Hoax Reports' About U.S. Arms Sales *[MTI]* 19

POLAND

Ministry Official Denies Arms Sold to SFRY *[PAP]* 20
Poll Finds Corruption 'Great Problem' *[PAP]* 20
'Art-B' Corporation Implicated in Bank Scandal *[PAP]* 20
Solidarity 80 Assails Government Policies *[PAP]* 20
Rural Solidarity: Peasants Sabotage Agriculture *[PAP]* 21
Regional Solidarity Official on Union's Role *[RZECZPOSPOLITA 1 Aug]* 21

ROMANIA

FSN Rejects Call for Minority Roundtable *[ROMPRES]* 23
Daily Warns of Possible Economic Collapse *[TINERETUL LIBER 3-4 Aug]* 23
Government Communique on Roman's Visit to Moldova *[ROMPRES]* 23
Romanians, Moldovans Polled on Living Standards *[ROMPRES]* 24
Daily Views Domestic Effect of SFRY Separatism *[ROMPRES]* 24

YUGOSLAVIA

Federal

Kostic Views Cease-Fire Issues *[TANJUG]* 25
FEC Discusses Implementing Cease-Fire Decision *[TANJUG]* 26
State Presidency Commission Visits Osijek *[TANJUG]* 26
General Adzic Visits Banja Luka Corps *[TANJUG]* 27

International

Jovic: EC Moves 'Unacceptable' *[TANJUG]* 27
Press Assesses Results of EC Mission *[TANJUG]* 27
Austrian Official: Country Not Exporting Weapons *[TANJUG]* 28
Austrian Delegation Ends Visit, Returning 8 Aug *[TANJUG]* 28
Dumas Seeks National Territorial Integrity *[TANJUG]* 29
Moscow Warns Against Taking Sides in Conflict *[TANJUG]* 29
Loncar Confirms Nonaligned Chairmanship Intentions *[TANJUG]* 30
Budimir Loncar Receives Papal Envoy *[TANJUG]* 30
Reportage on Kucan's Visit to Austria *[cross-reference]* 30

Slovenia

Jansa, Bavcar News Conference Reported *[Ljubljana Radio]* 30
Slovenia To Recognize Macedonian Sovereignty *[TANJUG]* 32
Army Withdrawal 'Only a Tactical Move' *[TANJUG]* 32

Croatia

Tudjman Seeks European Help *[Munich SUEDDEUTSCHE ZEITUNG 7 Aug]* 33
Government Rejects Cease-Fire Decision *[TANJUG]* 34
MUP Declares Cease-Fire 'Does Not Apply' *[TANJUG]* 34
Official Says No Negotiations With 'Terrorists' *[TANJUG]* 35
Split Command Protests Block on Gas Supplies *[TANJUG]* 35
Ministry Will Charge Attackers With War Crimes *[TANJUG]* 35
Krajina: No Withdrawal Unless Croats Withdraw *[TANJUG]* 35
Cease-Fire Holding Up in Knin Area *[Belgrade Radio]* 36
Army Withdraws From Solta Island *[Ljubljana Radio]* 36
Overnight Conflict Update; Truce 'Unstable' *[Zagreb Radio]* 36
'Fierce' Battle in Kostajnica Reported 6-7 Aug *[TANJUG]* 36
Red Cross Symbols Said to Hide Military Actions *[TANJUG]* 37

Serbia

Milosevic Interview With Sky News Reported *[Belgrade TV]* 37
Jovanovic Says EC Failure Not Serbia's Fault *[TANJUG]* 40
Draskovic Assails Tudjman, Milosevic *[TANJUG]* 40
Democratic Leader Urges Negotiations *[TANJUG]* 40
Reservist Movements in Kosovo Reported *[Zagreb Radio]* 41

Bosnia-Hercegovina

Izetbegovic Supports Dialogue With Serbs *[TANJUG]* 41

Crowds Seize Ships, Storm Party Building

AU0708190891 Tirana ATA in English 1808 GMT 7 Aug 91

[Statement by Ministry of Public Order issued on 7 August]

[Text] Tirana, August 7 (ATA)—On August 6, 1991 at 1300 [1100 GMT] about 200-300 people forcefully boarded the "Durres" ship, which was being supplied with water in Vlore. They forced the crew to sail in the direction of Sazan. Meanwhile another crowd of 300-400 persons managed to forcefully board the "Iliria" ship and forced it to come out in open waters. Following these acts the flocks of people increased and succeeded in seizing by force two other ships and set sail.

Till the dawn of August 7, the forces of order did their best to prevent the seizure of the other ships in the port and through the aid of the fishing enterprise managed to disperse the citizens and bring the fishing vessels to anchor in Sazan.

The crowd acted severely against the forces of order, hurling stones and dynamite at them and using also fire arms. As a result 4 soldiers got wounded, one of them seriously.

While the situation in the port was being stabilized the crowd stormed the building of the Committee of the Socialist Party. The forces of order guarding the building failed to cope with the crowd attacking from all the directions. In order to avoid the confrontation of the forces of order with the crowd, which would be of grave consequences, the chairman of District Executive Committee mediated by asking the forces of order to retreat. Following this the mob stormed the premises of the committee by damaging, burning, destroying and stealing. At 1245 the crowd rushed towards the monument to Hysni Kapo and toppled it. At 1400 the people began to disperse.

During the night, the forces of order managed to save about 200 children from drowning using the sole sea means they possessed.

On August 7,1991, at dawn local inhabitants and from other districts started to gather by the sea port of Durres. At 1000 the crowd reached to over 400 persons. The forces of order called on them many a time to disperse, but the crowd answered throwing stones, bricks, etc.

The crowd savagely attacked the forces of the order and taking advantage of the retreat of the Army forces, broke up the cordon and rushed into the port. The toll of people kept increasing. A part of them forcefully boarded the "Butrinti" ship and forced it to set sail. Another part boarded the "Skenderbeg" ship, which although with a defect, forced it to sail. The crowd has occupied the "Vlora" ship which is anchored in the port, because of the defect in the engine. There are about 4,000 persons in "Vlora" ship, whereas a large toll of people is in the territory of the sea port.

Council of Ministers Communique

AU0808085691 Tirana ATA in English 0815 GMT 8 Aug 91

[Communique of the Council of Ministers; place and date of issue not given]

[Text] Tirana, August 8 (ATA) —In an emergency meeting held on August 7, 1991, the Council of Ministers examined the grave situation created in the seaports of Durres and Vlore, where large crowds of citizens attempted and in some cases managed to seize by force ships to sail in the direction of Italy.

The government considers that this situation which overtly serves the anti-Albanian forces, is very dangerous primarily for the destiny of our country. The repetition of the mass exodus in the present conditions, when the country is living through difficult days and when a new massacre is being prepared in Kosovo, is a shocking blow to the national stability the government has committed itself to and working for. It likewise threatens to shatter public order and prevent the implementation of the important measures being adopted to guarantee the supply the people with the necessary foods from import.

Under these conditions, in order that the situation created be immediately normalized and events of this nature be prevented the Council of Ministers decided:

1. The border forces of the Republic of Albania dependent on the Ministry of Defence.

2. The seaports of Durres, Vlore, Shengjin and Sarande are declared objects of special importance defended by forces of the Ministry of Defence.

3. The (?captains') offices of all the ports pass onto the dependence of the Ministry of Defence.

4. The minister of foreign affairs be charged with the task of continuing contacts with the Ministries of Foreign Affairs of the states these ships are bound for, demanding their return together with the nationals that have seized them by force.

5. The Ministries of Defence, of the Public Order and of Transports be charged with the task of normalizing the regime of work in the seaports within 48 hours.

The Council of Ministers should use all the competences and the force of the law in order that such attempts against the country's democracy and stability be not repeated any more.

Socialist Party Appeal

AU0708194891 Tirana Radio Tirana Network in Albanian 1800 GMT 7 Aug 91

[Text] An appeal to the people issued by the Socialist Party states, among other things, that stability is vitally necessary for our country, which has been shaken as never before. A question mark hangs over the present

and future of the Albanian people. Democracy in Albania, which was achieved with so much effort, is in danger. Thousands of people have seized the country's ports, and spontaneous gatherings accompanied by thefts and acts of violence have created a highly tense situation, which could lead to catastrophic consequences for the homeland and our entire people.

This is the time, the appeal continues, for each of us to show his dedication and commitment to the destiny of the homeland and the Albanian people. As never before, the sincerity of the commitment of each of us to social and political stability is being put to the test. As history has often shown, the destabilization and anarchy that such behavior causes pave the way for antidemocratic and antipopular forces to stifle democracy and replace it with dictatorship. When our internal crisis is deepening, and martyred Kosovo is at every moment under the threat of Greater Serbian butchery, when our northeast borders are menaced by Chetnik-Milosevicite hordes, we more than ever need prudence and moderation, vigilance and alertness, and a spirit of conciliation and national unity.

It is neither honest nor patriotic to create new sources of destabilization and confusion at such a serious time. The consensus for stability and social peace reached among the political parties, the trade unions, and social organizations has been put to the test as never before. Let us preserve it at all costs and rely on the authority and trust of our people, in order to firmly confront this situation. Let us show the people that boundaries between political forces are as nothing when we are faced with the great problems of the people, because we all heed the voice of the homeland. It is the homeland that is calling to us today.

Alia, Leaders Discuss Impact of SFRY Crisis

AU0708201091 Tirana ATA in English 1755 GMT 7 Aug 91

[Text] Tirana, August 7 (ATA)—A meeting of the supreme leadership of the state was held on August 7, 1991 on the initiative of the president of the republic, Ramiz Alia, which was presided by him himself. Attending were Kastriot Islami, chairman of the Presidency of the People's Assembly; Ylli Bufi, prime minister, some ministers, as well as chairmen of the political parties of the country. The meeting examined the political situation at home and the nearby region. It discussed particularly on the developments in Yugoslavia and their impact on Kosovo and Albania. The foreign minister, Muhamet Kapllani, forwarded an information on these events and another was presented by the chief of the General Staff of the Army, Kostaq Karoli. Then the participants in the meeting discussed. The president of the republic, Ramiz Alia, spoke too.

At the meeting it was pointed out that the situation in Yugoslavia keeps aggravating quickly. Military clashes in Croatia are spreading and assuming the view of a civil war with very dangerous consequences. This grave crisis has also swept over other parts of Yugoslavia Kosovo included. Serbs' police and military violence on the Albanians is assuming new proportions. To this end the so-called "armed Serb volunteers" have rushed to Kosovo. As they have declared, they are ready to open together with the Serb Army and police the so-called "second front."

The danger of a military operation against the Albanian population, to provoke a massacre en masse against the Albanians, has become evident. This would have threatening impact on Kosovo and Albania as well.

The use of armed violence in Yugoslavia, the meeting stressed, has aroused troubles not only in that region, but also in Europe. Its community organs and CSCE forums are working to solve the problems of Yugoslavia peacefully and democratically and taking into consideration the will of the peoples of that country. The European community has sent its observers, whereas the last mission of the "troika" of the Common Market failed. This has further aggravated the situation.

The Republic of Albania confirms once again its position for the peaceful and democratic solution of the conflicts raised in the Yugoslav state at present, including the problem of the Albanians in Yugoslavia. The sole road that complies with the aspirations of the peoples of Yugoslavia and the makequests [words as received] of the CSCE Charter is to take into consideration the free will of all the peoples of Yugoslavia, including the Albanians as equal with one another. In conclusion the meeting set the following tasks: Firstly, to strengthen the people's unity with no distinction of political convictions as an indispensable premise to cope with the current situation. To this end all the political force deem it indispensable to seriously engage themselves in enhancing the patriotic spirit among the people and the unreserved support of the cause of the legitimate rights of the Albanians residing in their own territories in Yugoslavia. The strengthening of the political stability, the economic recovery and the regular activity of the public order have a direct impact on enhancing the patriotic consciousness so as not to be taken aback in the face of any danger that might threaten us.

Secondly, to enhance combat readiness and vigilance of all Armed Forces and especially of the forces along the northeastern border of the country. They should be aware of any provocation, as well as ready to cope with any attempt to violate the frontiers of the homeland.

Thirdly, the Ministry of Foreign Affairs should take measures that the states and various international organisms be acquainted with the stand of our republic toward the events in Yugoslavia, which is for democratic and peaceful solution to the interest of all the peoples living there. At the same time it should acquaint the states and various international organisations with the situation of the Albanians in Kosovo and elsewhere, with the danger threatening them and their just demands for freedom and equality.

The meeting charged the Ministry of Foreign Affairs with the task to make known the demands of the Coordinating Council of the Albanian Political Parties of Kosovo addressed to the Council of Europe, the European Parliament and the CSCE.

Troops Put on Alert Along Border

AU0808090991 Paris AFP in English 0846 GMT 8 Aug 91

[Text] Belgrade, Aug 8 (AFP) — Albania put the Army on the alert on Thursday [8 Aug] as violence was reported to have spread to Yugoslavia's Kosovo province, Albanian President Ramiz Alia announced.

Alia, quoted by ATA news agency, said if fighting erupted in Kosovo, which borders Albania and where the population is overwhelmingly of Albanian origin, it could affect Albania itself.

The alert concerned "particularly units staioned along the border with Yugoslavia," ATA said.

National Unity Party Statement

AU0708204891 Tirana Radio Tirana Network in Albanian 1800 GMT 7 Aug 91

[Text] A statement by the Albanian National Unity Party [PUKSh], after expressing concern at the confiscation of weapons in Kosovo and the danger of the outbreak of civil war under the pressure of Serbian chauvinists, states, among other things, that the PUKSh, in these shocking times, calls on the entire world, the United Nations and its Security Council, the CSCE, the EEC, and others to immediately take up the problem of the serious crisis in Yugoslavia, which may become the cause for unprecedented destabilization in the Balkans and Europe. The right of peoples to self-determination is not an abstract notion, and there can be no solution to this crisis without the participation of the Albanians in international organizations and within Yugoslavia itself. Kosovo will decide its own destiny.

The PUKSh calls on the Albanian people to be vigilant, and to raise their national awareness to a higher level. The Greater Serbians are preparing for bloodshed, and this requires us to be united as never before. Yesterday's events in Vlore and Durres and the acts of vandalism and terrorism committed in these towns are nothing but traps laid by reactionary forces within the country and foreign agents, in order to sabotage the solution of the problem of Kosovo's self-determination at this historic moment. The PUKSh considers such acts being committed at this moment to be high treason to the national cause, and especially to martyred Kosovo.

Hoxha Monument Removed From Officers School

AU0708142691 Tirana ATA in English 0926 GMT 7 Aug 91

[From the "Press Review"]

[Text] The newspaper "RILINDJA DEMOKRATIKE" informs that the monument of Enver Hoxha was removed in the "United Officers' School" in Tirana.

Bulgarian Parliamentary Delegation Arrives

AU0708143291 Tirana ATA in English 0811 GMT 7 Aug 91

[Text] Tirana, August 6 (ATA)—At the invitation of the Presidency of the People's Assembly, a delegation of the Bulgarian Parliament, headed by its chairman, academician Nikolay Todorov, arrived on an official and friendly visit to our country on August 6 before noon.

In the Kakavije border point he was welcomed by Lush Perpali, deputy chairman of the Presidency of the People's Assembly, Pandeli Bediava, chairman of the Provisional Pluralistic Executive Committee, and officials of the People's Assembly.

Today afternoon, Dr. Kastriot Islami, chairman of the Presidency of the People's Assembly, received at the People's Assembly the delegation of the Bulgarian Parliament, headed by its chairman, academician Nikolay Todorov.

After bidding him welcome to Albania, Dr. Kastriot Islami had a warm and friendly talk with him. He spoke of the functioning of the People's Assembly and its permanent commissions, the laws endorsed by the first pluralist assembly and the work being done to apply them. Dr. Kastriot Islami laid the stress on the need of strengthening the relations and cooperation between the two parliaments, something that will influence upon the increase of relations between our two peoples and countries. Albania and Bulgaria, said he, as two Balkan countries, uphold to continue cooperation in all the fields of mutual interest.

Academician Nikolay Todorov made an expose of the democratic developments in Albania and stressed that there is analogy and peculiarities for our countries in these developments. We, said he, are looking for our road of economic and political transformations and pointed to the endeavours to overcome the economic difficulties.

The meeting was also attended by Dr. Aleksander Meksi and Lush Perpali, deputy chairmen of the Presidency of the People's Assembly and deputies.

In honour of the delegation of the Bulgarian Parliament, headed by its chairman, the academician Nikolay Todorov, the chairman of the Presidency of the People's Assembly, Dr. Kastriot Islami gave a dinner at "Dajti" Hotel on August 6.

Present were the deputy chairmen of the Presidency of the People's Assembly, Lush Perpali and Dr. Aleksander Meksi; the minister of foreign affairs, Muhamet Kapllani; the minister of culture, youth and sports, Prec Zogaj; deputies and functionaries of the People's Assembly.

The ambassador extraordinary and plenipotentiary of the Republic of Albania in Sofia, Bashkim Rama, and the ambassador extraordinary and plenipotentiary of Bulgaria in Tirana, Stefan Naumov, were also present.

Bufi Speaks at National Youth Meeting

AU0708143091 Tirana ATA in English 0900 GMT 7 Aug 91

[Text] Tirana, August 7 (ATA)—The national youth meeting was organized in the National Museum of History in Tirana on August 6, 1991.

Invited in the meeting was also the chairman of the Council of Ministers, Ylli Bufi.

The first to open the meeting was Lisen Bashkurti, first secretary of the CC [Central Committee] of the LYUA [expansion unknown].

Then the Premier Ylli Bufi took the floor. He said that the only alternative to stabilize the country is to start the application of the economic reform, whose essence is the transformation of the totalitarian system into a democratic one, of the centralised economy into a free market economy. To realise the reform, the youth, as the most active part and main force of our society, has its own role. The process of transformation of the state administrative apparatus cannot be realised without the participation of the young specialists. This transformation should be shouldered by our youth. I think the organization of youth should have in its basis the application of the economic reform, the premier said.

To overcome the crisis of confidence, Ylli Bufi continued further on, the youth may render its contribution through its participation in all the links of the process of transformations in the country.

Then, the prime minister answered the questions of the participants regarding the working and living conditions of the students, social assistance, the future of the youth, etc.

Then, they in the meeting discussed on the new organizational structure with the idea that youth should be organized on the basis of free and voluntary associations. They will be free unions on the basis of the categories of youth and their interests and inclinations. The whole associations on national scale will create the Albanian Youth Federation, which will be based on the principle of creating close links of unity among the youths based on the national ideal and that of the youngsters.

With the aim that young boys and girls lead the process of reformation for the youth organization, the bureau of the CC of the LYUA and the first secretary of the CC of the LYUA, Lisen Bashkurti, demanded to be released from their posts. The meeting approved this demand, evaluating their positive activity in the democratic processes of the life of the country. A committee made up of 21 youngsters was elected to organise the Youth Federation of Albania until the national conference due to be held within this year.

Chairman of the committee is elected Luan Bregasi, vice chairmen are Erind Pajo and Blendi Gonxhe, secretary Luan Rama.

Seminar Held on Enforcement of Land Law

AU0708142891 Tirana ATA in English 0908 GMT 7 Aug 91

[Agriculture Ministry statement; date and date not given]

[Text] Tirana, August 7 (ATA)—The State Commission on the Land organized a national seminar on the work to be made to apply the Law on Land, in one of the halls of the Palace of Congresses. Some papers were read out in the seminar such as that for the meaning and content of the Law on Land, the way how the commissions on land will be set up in the districts and villages, the criteria on which the land will be divided, the possible solution of the social problems which will appear during the land division. Those present put many questions on the papers and decisions of the government in this direction.

The chairmen of the provisional pluralistic executive committees, the chiefs of the sectors of agriculture and the delegates who attended the seminar were made clear many problems. Only the agricultural land which was used by the agricultural cooperative on the basis of a village or some villages will be divided. It will be given to each peasant family, members of the cooperative and inhabitants of the village free of charge according to the register of civil state until August 1991, accompanied with the respective document. The land will be proportionally divided according to each person: members of the cooperative, children, pupils, students, refugee, pensioner, or soldier. For those families whose members are in working relations with the state or have members working definitively in state enterprises half of the area belonging to the cooperative members will be given, but no more than 4 dynym (1 dynym; 1/10th of hectare) or 1 dynym for the one who works in state enterprises.

Likewise, studied differentiations are made in the criteria for the division of the irrigated and nonirrigated lands, for flat and sloping lands, etc.

Nexhmedin Dumani, minister of agriculture spoke in the seminar on some actual problems in the village and the ways how to solve them. Present in the seminar was also Zydi Pepa, vice chairman of the Council of Ministers.

Zhelev: Electoral Bill Article Violates Rights

AU0808090891 Sofia BTA in English 0800 GMT 8 Aug 91

[Text] Sofia, August 8 (BTA)—President Zhelyu Zhelev believes that the article of the electoral bill which was voted through in parliament yesterday violates human rights because under it Bulgarians, who are permanently or temporarily resident abroad, can vote only in Bulgaria. This was announced on the National Radio this morning by the president's spokesman, Mr. Valentin Stoyanov.

The president will express his views when, after its passage, the Electoral Act is presented to him for promulgation, Mr. Stoyanov added. An MP of the Union of Democratic Forces called on the president yesterday to exercise his right of veto on this decision of parliament, voted through by the socialist majority.

Zhelev Attends Army Leaders' Promotion Ceremony

AU0708171591 Sofia Khorizont Radio Network in Bulgarian 1445 GMT 7 Aug 91

[Nadya Kirkova report]

[Text] Two presidential decrees were officially announced at a festive meeting held in the festival hall of the Ministry of Defense. They deal with important staff changes in the Bulgarian Army's leadership.

Our colleague Nadya Kirkova has some more information for you on the event:

[Kirkova] The decrees were announced at an official ceremony that has become a traditional event preceding the festive celebrations on the occasion of Army Day.

The ceremony took place at the Defense Ministry's festival hall and was attended by President Dr. Zhelyu Zhelev, Vice President Atanas Semerdzhiev, Prime Minister Dimitur Popov, and Deputy Prime Minister Aleksandur Tomov. Minister of Defense Yordan Mutafchiev also attended the event.

According to a presidential decree, 35 generals and officers of the Bulgarian Army were newly appointed or reappointed to new posts. The most important cadre change is the appointment of Lieutenant General Lyuben Petrov, who is promoted to the rank of Colonel General as of today, to the post of first deputy minister of defense and chief of the Army's General Staff.

Lyuben Petrov has been serving as deputy chief of staff until today. He is 53 years old. He was born on 22 April 1938.

Another presidential decree promotes a total of 27 officers to the rank of general, 19 of them to the highest rank of general, 18 to the rank of major general, and one to the rank of rear admiral in the Navy, while seven officers were promoted to the rank of lieutenant general, and one to the rank of colonel general.

The youngest general is Colonel Mikho Dimitrov Mikhov, who is major general as of today. He is 42 years old, born on 1 February 1949, and exerted the functions of a division commander.

The newly appointed generals and officers are expected to assume their duties on 1 September 1991.

Vulkov on Soviet Treaty, Yugoslavia, Balkans

AU0808094691 Sofia OTECHESTVEN VESTNIK in Bulgarian 31 Jul 91 p 4

[Interview with Bulgarian Foreign Minister Viktor Vulkov, by Maria Netsova; place and date not given]

[Excerpt] [passage omitted] [Netsova] On 4 August, less than one week, the current Soviet-Bulgarian Treaty will expire. It will be automatically renewed unless one of the two sides expresses the intention of proposing a new bilateral treaty. Is a renewal of the treaty, or an amendment of it envisaged, considering the new developments in our country?

[Vulkov] So far everything necessary has been done through diplomatic channels to prevent the automatic extension of the treaty after 4 August 1991. Both sides are convinced that the treaty in the form in which it was signed in 1967 no longer corresponds to the new situation either in Bulgaria or the Soviet Union. The Council of Ministers of Bulgaria submitted to the National Assembly a proposal referring to Paragraph 10 of the treaty, which stipulates that it should not be automatically extended. It is almost certain that a declaration will be published on behalf of the two countries' foreign affairs ministries, which cannot be recognized as a legal document but is still likely to clarify the situation. According to protocol it is the prerogative of the USSR Supreme Soviet and of the National Assembly of the Republic of Bulgaria to adopt a decision on preventing the extension of the treaty. It is evident that for purely technical reasons this adoption cannot be accomplished simultaneously.

The two sides are working on a new treaty and in my view they should devote all their efforts to making a signing of the new treaty prior to 4 August possible.

[Netsova] My next question may sound somewhat undiplomatic to you, nevertheless, I will ask it. I listened to a commentary on Bulgarian Radio by Aleksandur Aleksiev, a journalist from Radio Free Europe, who explained that Bulgaria's stand on events in Yugoslavia has undergone a change under the influence of external factors. Are such opinions justified?

[Vulkov] They are justified to a certain extent, indeed. Events in Yugoslavia as such are an external factor. Not only Bulgaria's stand has changed, but if Mr. Aleksiev has followed the stands of the United States and of the

other European countries on Yugoslavia he should have found out precisely the same thing. I do not see why we should be disturbed by the fact that our stand coincides with that of the other countries. The processes in Yugoslavia started to develop in one way, but they took a different direction. Their initial stage cannot be compared to the present development. Therefore, it is not surprising that declarations issued at different times may differ from each other.

[Netsova] Bulgaria's role in the Balkans has been internationally recognized and appreciated. According to the evaluation of distinguished U.S. politicians, expressed during the latest visit of an official Bulgarian delegation to the United States, Bulgaria is considered an important factor for stability and democratic changes in the Balkans. What are your expectations in connection with implementing the proposal recently submitted by Greek Prime Minister Mitsotakis on establishing a demilitarized zone at the Bulgarian, Greek, and Turkish borders?

[Vulkov] The legal basis of our relations with Turkey is expected to be clarified in a bilateral declaration on good-neighborly relations, which is in the process of preparation and will be signed by both sides. This will be a unique document on our relations with Ankara. As for the Mitsotakis proposal, the declaration which the Bulgarian Government issued on the subject is sufficiently clear. We support the proposal on principle. Our approach to any proposal that is aimed at alleviating tension along the borders of the Republic of Bulgaria is positive. Apart from this basically positive proposal, which no one would contest, the situation is complicated and should be assessed by experts capable of specifying whether the aforementioned proposals, as far as their scope and essence are concerned, would be acceptable to all three sides. Bulgaria could hardly estimate how Turkey might respond to the idea. As far as I am concerned, I would be glad if this positive beginning would be successfully concluded.

Ex-KGB Colonel on Interservice Cooperation

AU0708093091 Sofia FAKS in Bulgarian
1 Aug 91 p 3

[INF-FAKS report: "KGB Had No Hand in 10 November 'Palace Coup,' Former Soviet Agent Believes"]

[Text] In the KGB it was forbidden to recruit officers from Bulgarian State Security and involve them in agent running, and the KGB did not have at its disposal in Bulgaria any possible means of allowing it to change the government, said Colonel Mikhail Lyubimov, former long-serving employee of the KGB's First Main Directorate who was quoted by DEUTSCHE WELLE Radio in an analysis of the current state of the Bulgarian and Soviet secret services and the links between them.

Lyubimov did not rule out the possibility of there having been some contact between KGB representatives and their Bulgarian colleagues on the eve of the 10 November "palace coup," but in his opinion the coup was not an act of Soviet intelligence in Bulgaria. For such a fundamental change at least 50 agents would have needed to be in key posts in the country's leadership in order to carry out the KGB's orders.

In his opinion, the question of links between the Bulgarian and Soviet secret services to a large extent is being used at present as a political card. Colonel Lyubimov believes that after the KGB's present leadership is changed and radical changes in its structure and practices have been completed, the secret services of the two countries could cooperate in the fight against organized crime. According to information at the disposal of the KGB, Bulgarian and Soviet citizens have set up joint companies, cooperatives, and firms that are used for laundering dirty money, for creating new trade channels, and smuggling.

While criticizing the practices of the KGB, the colonel stated that the KGB must stop practices like recruiting foreign agents, blackmail, thefts of foreign documents, and payments for receipt of secret information from highly placed government officials. The KGB continues to dominate the secret information market sometimes offering Western sources larger sums than the Israeli or Japanese special services are prepared to pay.

Ethics Commission To Examine MP's Misconduct

AU0708130291 Sofia DUMA in Bulgarian
3 Aug 91 pp 1, 2

[Boryana Buchvarova report]

[Text] Yesterday the National Assembly deputies were still clarifying relations regarding the scandal of the previous day. As is known, Ventseslav Dimitrov was expelled from the plenary session of the National Assembly because of his unseemly behavior. At the time, he disputed the morality of a collection in aid of Pirin Vodenicharov, after the sick MP had made a rejoinder to him.

On the principle of "an eye for an eye, a tooth for a tooth," a group of Union of Democratic Forces [SDS] members of the National Assembly demanded a very heavy penalty for Rumen Vodenicharov. They claim that Vodenicharov allegedly knocked down the completely innocent Stoyan Ganev with a punch in the stomach, during the free-for-all in front of the microphones.

The Bureau of the National Assembly referred the incident to the Legislative Ethics Commission, which will reach a decision on the basis of the stenographic record and additional information. The members of the legislative leadership did not see what exactly happened.

Deputy Stefan Savov accused the Bureau of showing a selective attitude and attempting to impose censorship.

On 1 August Ginyo Ganev did not permit Savov to give an intervention in reply to Andrey Lukanov.

According to Georgi Pirinski, the case of Aleksandur Yanchulov, who publicized his unverified version of the incident on radio, should also be referred to the Ethics Commission.

Pirinski defined the conduct of certain members as an evident attempt to block the session, and warned that he could not see how the date for the elections could be adhered to if the legislature continued to function in this manner.

Ginyo Ganev, who originally gave an assurance that the electoral law would be passed by the end of the following week, subsequently agreed that in such an atmosphere this assurance would remain empty words.

Deputy Vasil Palikarkin said that he knew nothing at all about the poet Vinyo Ivanov, who has been on hunger strike for 19 days, having been shocked by Palikarkin's offensive words about the 39 National Assembly deputies who walked out of the National Assembly. If the 39 felt themselves insulted, the deputy said, why do they not refer the case to the Ethics Commission; he then proceeded to refer it to the commission himself.

Nora Ananieva congratulated the Bulgarian Socialist Party [BSP] and the Bulgarian Social Democratic Party on their centenary. She requested that the legislature conclude its session before 1600, to enable the BSP legislative group to attend their national conference. An SDS member said that the National Assembly could not take account of the anniversary of one party. In response, some of the BSP legislative group walked out of the plenary session, and were followed later by members of the Bulgarian National Agrarian Union-United.

The session was then suspended because of the lack of a quorum.

SDS Parties Form Political Consultative Council

AU0708134091 Sofia Khorizont Radio Network in Bulgarian 1204 GMT 7 Aug 91

["Declaration of the Political Consultative Council of the Union of Democratic Forces," read by National Assembly Deputy Marko Todorov in the National Assembly building in Sofia—live]

[Text] For several months now, organizations and individuals from circles within the Union of Democratic Forces [SDS] National Movement have been waging a specially directed, well-organized campaign against our members and supporters, aimed at removing from political life parties and individuals that are founders of the SDS and undoubtedly possess great political influence.

According to the selfsame scenario, and often with the participation of the same people, attempts are being made to destroy the structures of parties that disagree with the views of the SDS National Movement. Their aim is more than clear—substitute parties [partii dvoynitsi] are supposed to be formed to fill the places of the inconvenient parties, thus creating the illusion that those who do not agree in essence do not exist.

Representatives of parties have been forced out of the SDS National Coordinating Council, and decisions are being made on expulsions and on freezing membership.

Under these conditions, we can no longer carry responsibility for the decisions of the SDS National Coordinating Council, and once again confirm that it cannot represent us in dealings with state and other bodies and organizations.

Remaining true to the SDS cause, convinced that the most important task at the next elections is the victory of the democratic forces, and firmly resolved to work to create truly democratic institutions, to consolidate legality, and to continue the economic reform, we, the representatives of the SDS-Liberals and the SDS-Center who signed the political agreement of 9 July 1991, declare that we are creating a Political Consultative Council of the Union of Democratic Forces. The Political Consultative Council will coordinate the work and represent the SDS political coalition.

The SDS was formed as a political coalition uniting different parties and organizations fighting for democracy and the destruction of the communist system.

In the course of time, the coalition rejected the SDS National Movement, the SDS-Center, and the SDS-Liberals. We, the representatives of the SDS-Center and SDS-Liberals, once again address our colleagues of the SDS National Movement, in order to remind them of something that is clear to the entire people, namely that the main barrier to the democratization of society, the main factor retarding the conduct of the economic reform, is the Bulgarian Socialist Party [BSP]. Elections lie ahead, at which the BSP must be defeated.

Bearing all the above in mind, we invite the representatives of the SDS National Movement to sign an agreement on conducting the election campaign in a tolerant manner, renouncing mutual attacks, ceasing all attempts to discredit political leaders, and stopping all attempts to destroy the structures of parties and organizations.

Signed by the Bulgarian Social Democratic Party, the Green Party, the Ecoglasnost Political Club, the Federation of Democracy Clubs, and the Democratic Party-Plovdiv.

Thank you.

SDS Attitude Toward Cooperation With USSR

AU0708114791 Sofia FAKS in Bulgarian 1 Aug 91 p 2

[Prolet Lalkova report: "Soviet Market Stirs Opposition Ministers"]

[Text] The attempt of some political leaders to suggest that ministers from the Union of Democratic Forces [SDS] are against any form of cooperation with the Soviet Union and are trying to bind the country to the United States does not correspond with the real state of affairs said Deputy Prime Minister Ludzhev (41).

He said that looking for a political angle in this version of the draft treaty is also unfair. According to him the agreement is based on a whole new economic foundation, based on mutual benefit, and mindful of the changes taking place in both Bulgaria and the Soviet Union.

The deputy prime minister said that Bulgaria's positive trade balance with the Soviet Union has already reached $7 million. He pointed out that the Soviet market is essential to the Bulgarian economy and could have the effect of positively stimulating production, which the current reform envisages.

Radical Democrats Want One SDS Election List

AU0808095391 Sofia DEMOKRATSIYA in Bulgarian 2 Aug 91 p 1

[Stoyana Georgieva report]

[Text] The Union of Democratic Forces [SDS] will appear at the elections on one blue party list, with Filip Dimitrov as leader. Aleksandur Yordanov stated this on 1 August at the Bulgarian Radical Democratic Party's first independent news conference. If the SDS declared in such a way does not win the elections by at least 1 percent more than the Bulgarian Socialist Party [BSP], it will remain in opposition and in no way will it enter into any type of coalition with the BSP in the future government.

"The SDS's with the hyphens" that have appeared (the SDS-Center and the SDS-Liberals) aim to totally confuse the already disorientated Bulgarian voter. They are developing parallel and duplicate SDS structures quite in accordance with the idea of so called "false democracy."

Aleksandur Yordanov emphasized that if an election victory is achieved by two or three SDS's and not by the one led by Filip Dimitrov, then the latter will not consider this a victory and will remain in opposition.

The single SDS party list is open to anyone who did not sign the Constitution. The fact that the leaders of some parties have removed themselves from the National Coordinating Council sessions does not also mean the removal of their parties. Nikolay Slatinski stressed that there is no split in the local organizations. In the country, people realize that the main rival in the elections is the communist party and are united in striving to remove it from power. In conclusion it was stated that nominations for the upcoming elections will come from the grass roots level without the central leadership's direct instructions, which is a guarantee for success.

BSP Faction Leaders on Internal Party Split

AU0608135691 Sofia DEMOKRATSIYA in Bulgarian 30 Jul 91 p 4

[Report on interview with Bulgarian Socialist Party members Petur-Emil Mitev, Ivan Ivanov, and Yanaki Stoilov, by unidentified DEMOKRATSIYA reporter; place and date not given: "Do Ideological Differences or a Split Exist Within the Bulgarian Socialist Party?"]

[Text] Petur-Emil Mitev, representative of the "Europe" Social Democratic Platform: The internal ideological differences within the Bulgarian Socialist Party [BSP] are far from diminishing, they are even increasing. However, I would like to view the question in a broader context. The former Bulgarian Communist Party [BCP] has numerous heirs, namely four communist parties, one Socialist Party, an independent formation, a nationalistic party, and two formations that were integrated in the Union of Democratic Forces. The once monolithic party turned out to be a mosaic party. Moreover, the mosaic is composed of multicolored stones. The major part remained within the framework of the BSP. However, the process of differentiation has not been completed. The BSP is also a mosaic in itself. The basic differences from the ideological point of view exist between the old ideas about administrative socialism and the search for a democratic alternative. At each step toward the market economy the memories of the "good old days" seem to be revived. This is one of the trends. The other is a pragmatic social policy aimed at "democratic socialism" in a social democratic sense. We may describe one of the two basic trends as the social democratic and the other as the communist one, as long as this concept is not used in a derogatory manner. In the majority of cases the so-called communist trend is not so much a reaction against the loss of political power, it is not so much a psychological feeling of lost prestige and self-confidence. It is rather an economic reaction against increasing pauperization. Nevertheless, this is how the impulse for re-Stalinization emerges. The "Marxist Platform" for example has certain restoration features. I am afraid that it is the strongest mass current today, while a year and half ago the reformist trends were in upsurge. This seems paradoxical, but it is a fact. I would like to stress in particular that the aggressive pressure from the outside has also shifted the balance of forces within the party to the advantage of the "hardliners." The BSP is facing difficult cadre problems. It is impossible to overcome the totalitarian system without a new, democratic cadre revolution. The formula of a "modern, left-wing party" covers the internal differences and glosses over the essential problem. The BSP must find its identity and it will inevitably identify itself through one of the two alternatives—either to be a party of a social democratic or of a communist type. The internal incompatibility between the "European" and "Marxist" platform cannot continue much longer.

Ivan Ivanov (known as Uncle Ivan, the Stalinist) said: I will not answer you, my girl, because I know what you

are going to write.... I do not trust you journalists.... What should I tell you? There are no ideological differences, but there is something else—people just think differently. However, as far as the resolve to win the elections is concerned, we all agree, we are absolutely unanimous on that point. This is a fact, what more do you want? Some people think in one way, while others have different ideas. As for myself, for example, I do not believe in the social democratic "European" platform. Perhaps I may become persuaded to think like them one day, but I do not believe so....

Yanaki Stoilov, representative of the BSP radical nucleus: The BSP is in the process of renewal. The differences are not passing through the dividing line that separates reformers from orthodox members. This is the problem. It is not so much a question of names, but it is very often one and the same problem related to specific topical issues that should actually be a firm criterion for taking a specific stand which divides the reformer Socialists, while it rallies one group of them with other people who do not identify themselves with the reformist movements. As for the question of re-Stalinization, I would say that it would be more precise to talk about cyclic periods of a certain hardline trend within the party. Nevertheless, in an atmosphere of permanent pressure, as under the present situation, and especially in certain cases in which the pressure assumes almost physical dimensions, I fully understand that any individual and any party whatsoever would become more irritable and more tense, because Bolshevism is more likely to emerge in an increasingly impoverished society such as ours today. This is not a specific problem of the BSP, but affects our entire political and public life. The parallel existence of the "European" and the "Marxist" platforms is a fact. The only question is whether one of the two currents may prevail one day. This would lead to an organizational restructuring of the party. We are expecting cadre changes at the upcoming congress, but this will actually be one of the main subjects to be discussed at the congress.

BSP's Yonchev on Advantages of Political Center

AU0608175791 Sofia OTECHESTVEN VESTNIK in Bulgarian 30 Jul 91 pp 1,2

[Interview with Dimitur Yonchev, deputy chairman of the Bulgarian Socialist Party, by Neli Apostolova; place and date not given: "Political Center"]

[Excerpts] [Apostolova] There is much talk about the establishment of a political center today. How do you assess the current political situation, and where does the Bulgarian Socialist Party [BSP] stand?

[Yonchev] As a political force we conducted a center policy all throughout the year. Our terminology may have sounded more left-wing. However, we were the co-initiators of nearly all political compromises, and the hardliners among our supporters criticized us for this. This is natural for us, considering that the major forces of the BSP nucleus are generally conservative and have difficulties understanding the scope of the change. Nevertheless, every political decision adopted today should take the current state of affairs into consideration, therefore we cannot possibly adopt any conservative stands.

As far as the legislature is concerned, Petur Dertliev tried to establish the organizational structures of the center, but he was subject to severe attacks from the Union of Democratic Forces [SDS] Coordinating Council and from the Agrarians. Nevertheless, a center is something very attractive. [passage omitted]

Not only political parties, but also individual politicians can adopt centrist positions. Politicians who are searching for a center rely on the fact that their voters are inspired by common sense, rather than by emotions. Common sense, however, presupposes that people's living conditions should be somewhat comfortable. This means that a center party requires the existence of a middle class. As a matter of fact, Bulgaria's future may be linked to the middle class. For the time being the situation is such that polarization in political life is likely to persist. It is difficult to maintain a strong political center as long as people have not mastered the rules of a market economy. [passage omitted] For the time being no basis for a center exists in our country—there is neither the common sense, nor the intellect required for the development of an enterprising middle class.

[Apostolova] Numerous discussions center on the BSP policy, while the political trends are different. Along with this, people claim that the BSP nomenklatura is actually in possession of the capital and is therefore pursuing a right-wing policy. What is your view?

[Yonchev] Considering the fact that our party represented a structure of power, rather than a political party in the past, the BSP has representatives of all social strata among its members. I can by no means imagine that people who have traditionally belonged to the basic strata of society, such as civil servants, peasants, and working people might abruptly change their way of life and turn into a new social class. However, the middle class with an enterprising spirit is bound to emerge from them one day. As far as the upper crust is concerned, it is out of touch with the people, and will remain isolated. Some of the enterprising people who are now engaged in establishing companies here and there will presumably consolidate their positions, however, the nomenklatura as such can hardly turn into a new class. The strength of the nomenklatura was rooted in the power structures, they held certain positions, but as soon as they were deprived of their strength—namely of the relations with the Soviet Union, the Warsaw Pact, and CEMA—they were unable to compensate for the loss of all their assets with a spirit of enterprise. Nevertheless, I cannot help feeling depressed by the unpleasant impression that we are living in a highly differentiated world....I have recently observed the numerous private automobiles cruising around the city, and I am aware that some people have already become millionaires.... However,

for the time being neither the scope, nor the personalities involved in the business world are likely to produce a successful market economy based on a reliable social welfare system. The subjective factor with the appropriate cultural standards likely to establish an effective economic system is non-existent in our country as yet.

[Apostolova] What is the ideological image of the BSP in the present political landscape?

[Yonchev] A reformist wing actually exists within the BSP. This was true before the last elections in particular. A certain hardening of the positions can be noticed today. [passage omitted] The stand of the BSP is in the center, but with a left-wing orientation. I am convinced that the BSP reformist wing will come closer to the Bulgarian Social Democratic Party in the future and that we have much more in common with the real social democrats than with our own conservative elements. I expect that the actors on the political scene will become much more individualistic in the future. The process of self-identification began with the 39 SDS deputies who went on hunger strike. As a result, the atmosphere of emotional confrontation will gradually disappear. Every group and individual will present his own profile. Along with this, however, the 39 deputies unintentionally initiated a process they would have never imagined they would achieve, namely a self-imposed image that numerous other political figures defined as rather unattractive. This was a joke of history that turned against them. It is my conviction that their political position is quite unequivocal today.

BSDP Answers Appeal for Extraordinary Congress

AU0808083391 Sofia SVOBODEN NAROD in Bulgarian 31 Jul 91 p 3

["Point of View of the Executive Bureau of the Bulgarian Social Democratic Party's National Committee in Connection with the Appeal for Convening an Extraordinary Party Congress"]

[Text] Written applications from two local party organizations on the necessity of convening an extraordinary congress of the Bulgarian Social Democratic Party [BSDP] have been submitted to the BSDP National Committee.

In accordance with articles 28-31 of the BSDP Statute an extraordinary congress cannot be convened by an initiative committee. The following rules should be applied in connection with the proposal to convene an extraordinary congress:

—An extraordinary congress can be convened at the decision of the National Conference or of the BSDP National Committee.

—At the written request of one third of the delegates attending the last congress, or at the proposal submitted by one third of all local organizations.

The date for opening the congress, the quota for electing delegates, and the proposals for the agenda are to be submitted to the BSDP National Council through the party's official press office at least three months in advance. The local organizations are authorized to submit their proposals on the agenda and on other issues no later than a month prior to the date of the opening of the congress.

The Executive Bureau of the BSDP National Committee is convinced that the campaign for convening an extraordinary congress in the period shortly preceding the elections for a new National Assembly and for municipal councils can only serve the interests of one particular political force, which is trying to introduce a split within the BSDP.

After the recent attempts of the "Programmatic Initiative" Discussion Club to destroy the BSDP in attacks from the outside proved unsuccessful, the club decided to dissolve and declared that it is merging with the New Social Democratic Party. Since the BSDP National Committee dissolved the "Krustyu Pastukhov" Club, this organization has engaged in persistent efforts to "renew" the BSDP "from the inside" by voicing the argument for replacing the party's leadership, which was officially and legally elected only four months ago.

In these days preceding the election campaign, which are full of tension, the BSDP leadership declares that this is not the right time for pursuing personal ambitions. The party's main task is to direct the efforts of all Social Democrats toward election victory and toward the defeat of the Bulgarian Socialist Party/Bulgarian Communist Party.

Podkrepa Against Canceling Labor Code Clause

AU0708214291 Sofia BTA in English 1916 GMT 7 Aug 91

[Text] Sofia, August 7 (BTA)—The Podkrepa Labour Confederation objected before parliament, the government and the political forces against a decision of the Labour, Social Protection and Social Insurance Parliamentary Commission to propose the cancelling of the clause in the Labour Code under which the trade union amalgamations had the right to dismiss business executives for repeated violations of the labour legislation and proven bureaucratic attitude to the workers and trade unions. Podkrepa believes that this proposal may "give rise to wide social discontent."

Podkrepa also protested against the stands expressed by the Socialists in the commission that they are not interested in the resolutions of the government and the Tripartite Commission which according to them is of a "merely consultative nature." The stands of the socialist MP's are assessed by Podkrepa as a call to anarchy

"because legislators are ignoring the resolutions of the sovereign executive power." It is a political crime to provoke a decision torpedoing social peace at a time when the trade unions and the government are at the basis of a wide social consensus, Podkrepa stressed.

Edinstvo's Stalev on Upcoming Elections

AU0808081691 Sofia TRUD in Bulgarian 2 Aug 91 p 2

[TRUD staff report: "Edinstvo Sheds Nonpartisan Tears for Party Organizations"]

[Text] The approaching elections require a unification of our forces in the party. "Forward comrades to a new election victory!" This is how Mr. Tenyo Stalev, deputy chairman of the "nonpartisan" Edinstvo Independent Trade Union presented election campaign propaganda at the meeting with sympathizers of the Socialist Unity Movement. He believes "cutting the party off from the working class" and "getting rid of party organizations at people's work places" to be "an enormous mistake and damaging." He also complained about attempts to break away from mother Russia.

In Mr. Stalev's opinion, the Confederation of Independent Trade Unions in Bulgaria and the Podkrepa Labor Confederation are responsible for deepening the economic crisis, having led 22,000 strikes, without which Bulgaria would have been able to pay off most of its debts. According to the same impassioned speaker, it is absurd that Messrs. Petkov and Trenchev will be guarantors of free elections. "They will rely on bribes!" was how Mr. Stalev finished off his nonpartisan speech.

IMF Supports Government Price Policies

AU0708215291 Sofia BTA in English 1903 GMT 7 Aug 91

[Text] Sofia, August 7 (BTA)—The International Monetary Fund supports the latest measures of the Bulgarian Government against the prices shock, the Press Centre of the Council of Ministers told the BTA.

The meeting of the IMF mission with the economic team of the government and representatives of the bank institutions continued today at the Evsinograd Residence near Varna. Deputy Prime Minister Dimitur Ludzhev said that the signing of a letter of intent on the development of the second stage of the reform is being discussed. Mr. Ludzhev said that the meeting discussed some key points of the government's programme, the budget, the antiinflationary measures, the measures for encouraging privatization and the energy problems. The meeting also discussed the political situation in this country and the social tension and the forthcoming elections.

The IMF mission will continue its talks.

Klaus: Czech Minister 'Sabotaging' Privatization

LD0708171791 Prague CTK in English 1442 GMT 7 Aug 91

[Text] Prague Aug 7 (CTK)—Czechoslovak Finance Minister Vaclav Klaus today accused the Czech minister of industry sabotaging the privatisation process by putting pressure on state-owned enterprises to neglect the coupon method of privatisation.

The coupon method, part of the "large" privatisation process, would allow the public to purchase vouchers good for shares in the country's largest state-owned enterprises.

At a press conference of his Civic Democratic Party (ODS), Klaus said he fears the ministry, headed by Karel Vrba, is trying to keep certain enterprises in state hands for a few more years, in disregard of Finance Ministry policy.

He also expressed disappointment with the gap between Western words and deeds regarding economic cooperation with Czechoslovakia. ODS staff person Jozef Zieleniec explained that many Western countries propose loans, when what Czechoslovakia really needs is trade opportunities.

Klaus also commented on parliament Chairman Alexander Dubcek's recent trip to Australia and New Zealand. While he did not leave behind a bad impression, Klaus said, Dubcek's advocacy of a so-called third way for the Czechoslovak economy conflicts with official government policy.

Klaus said he did not know before he himself left for Australia July 17 that the ODS would demand Dubcek's resignation. (ODS called on him to step down as chairman of parliament July 23, the day after Dubcek withdrew from the Public Against Violence (VPN) movement on whose platform he was elected in June 1990 - ed.)

HZDS Chairman Meciar on Slovak Government

LD0708173791 Bratislava Ceskoslovensky Rozhlas Radio Network in Slovak 1000 GMT 7 Aug 91

[Interview with Vladimir Meciar, chairman of the Movement for Democratic Slovakia, HZDS, by Michal Tvarozek at press briefing, place and date not given—recorded]

[Text] [Tvarozek] Mr. Meciar, since much is being said about the one hundred days of the [Carnogursky] government, could you tell us about Vladimir Meciar's one hundred days?

[Meciar] They were full of work and very much so. I had to devote a certain amount of time to gather my strength again, to get my health back, and I devoted all the remaining time to building the Movement for Democratic Slovakia. We continue to devote our time to tackling social problems—though using different ways and methods now. We pay attention to Slovakia's ailments; we look for programs and for people capable of leading the country in a certain direction and prepared to sacrifice themselves for the country. We also look for contacts to solve Czech-Slovak relations and those to achieve a wider European cooperation. This means we spend our time working as we used to do, when we were the government, though the necessity to make decisions is less demanding now.

[Tvarozek] Mr. Carnogursky said, among other things, that the opposition worked without any program—especially in our representative bodies. What do you think about his words?

[Meciar] I know that he does not know what he is saying. The opposition has its own program; it decides both its strategy and tactics, and of course, we are not going to consult with Mr. Carnogursky about what we should do. Pushing through our proposals has then been always determined by what is helpful for Slovakia. For instance, since it took the government 10 weeks to finally come up with a draft of its government program, or at least its addenda—and this is a length of time that is unwarrantable, and moreover, the government appropriated the changes proposed by the opposition—then we found ourselves in the situation that, because of specific conditions, we were forced to allow the government program to be passed.

Our course of action is well thought out, and if Mr. Carnogursky is as critical about his own movement as he is about opposition, this would benefit both sides.

[Tvarozek] Mr. Meciar, I would conclude by asking you about your movement's plans for the future.

[Meciar] Above all, we have to build our own organizational structure quickly. It must be a firm structure, capable of action and variable in order to react to various situations. It is necessary to solve the issue of horizontal clubs of experts who are going to be a brain trust, not only of our movement but of Slovakia.

As far as political coalitions are concerned, we strive to achieve a coalition in Slovakia that would mean over 90 votes in favor of adopting a constitution of the Slovak Republic and a majority system for drafting a state treaty. The current situation is a deadlock situation in which neither of the parties is capable of gaining the majority, and in substance, those documents cannot be adopted namely because of the Christian Democratic Movement's unfortunate coalition with Public Against Violence, which is silently supported by Hungarian organizations.

[Tvarozek] Do you mean that you perceive the adoption of the constitution as a very unclear issue?

[Meciar] At the current situation, it is impossible. If Christian Democrats do not muster enough resolve to take more radical steps, then it will be impossible to adopt the constitution.

Carnogursky Comments on Slovakia's Place in Europe

LD0708215791 Prague CTK in English 2036 GMT 7 Aug 91

[Text] Bratislava Aug 7 (CTK)—Slovak Premier Jan Carnogursky reiterated today that once Europe as a whole is united, Slovakia wants to be a member having equal status with the others. He urged the Czech Republic, the larger of Czechoslovakia's two parts, to work for the same position.

In Carnogursky's opinion, "this would serve both the Czech and Slovak republics."

Carnogursky was speaking on television in reaction to statements made by Czech Premier Petr Pithart in his regular radio address Tuesday.

Both premiers were invited Saturday to an informal television debate in which they were extensively interviewed on Czech-Slovak relations. Both elaborated on their ideas in their subsequent speeches on radio and TV.

Both during the debate and in his address Pithart urged Slovak politicians not to raise new demands every time the powers of the federal and republic bodies are discussed. The Czechs cannot but think that some politicians in Slovakia wish that the Czech Republic eventually would say, "Let's call it a day, there is no point in going on," Pithart said.

In today's interview Carnogursky recalled his earlier statement that in a united Europe Slovakia would like to be Slovakia and not just a region of Czechoslovakia. "I do not consider this a weakening of Czechoslovakia, but on the contrary, its strengthening because it gives a clearly defined perspective," he told the TV interviewer.

He said the Slovak Republic has not officially formulated its stand on whether it wants to be a federation or confederation although some political parties and movements have defined their positions on the issue. Such a formulation by the Slovak Republic "has not been necessary and for the time being is not very well possible," he said.

Slovak ex-premier Vladimir Meciar's Movement for a Democratic Slovakia (HZDS), the grouping with the largest following in Slovakia, supports the idea that the new constitutions now being drafted should define Czechoslovakia as a confederation.

However, Carnogursky said, in the talks on power-sharing as well as on all other occasions the Slovak government has always adhered to the federal principle which means that if some federal powers are agreed, then they are applied from the state to the citizen level.

He said the basic difference between the Czech and Slovak attitudes to the problem of Czech-Slovak relations and the federation stems from the Slovak emphasis on the national principle in contrast to the Czech stress on the citizen.

Pithart maintained that he has already shown so much goodwill and patience in Czech-Slovak negotiations that he has lost the confidence of many people in Bohemia but that he was prepared to sacrifice it. However, as he put it, the time to decide has now come.

Reaction to Liberal Democratic Party Declaration

AU0708114891 Prague OBCANSKY DENIK in Czech 3 Aug 91 p 1

["(jem)"-signed report: "The Federation in 1994.... A Division Game"]

[Text] Prague— "If the state formation composed of at least three parts is not acceptable to the Slovak side, then there is no other choice but to divide the CSFR. The Liberal Democratic Party suggests that the separation should take place in 1994 to 1995," states the declaration published by the Liberal Democratic Party on 30 June 1991. We asked Czech legislative parties and movements their opinion about this proposal.

Miroslav Macek, deputy chairman of the Civic Democratic Party: "I believe that if there is not the will in both republics to establish a multimember federation based on the civic principle, then it would be more reasonable to separate in peace. That is to say, a two-part federation, in which civic and national principles contradict each another, can be politically balanced only with difficulty. Such a constitutional setup intrinsically poses a constant danger of the breakup of the state."

Jan Chudomel, from the press department of the Civic Movement: "The Civic Movement hopes the federation will be preserved, and the movement will do all it can to preserve it. We consider the Liberal Democratic Party's declaration rather unrealistic."

Miroslav Tyl, deputy chairman of the Christian Democratic Party: "The Christian Democratic party has always favored a permanent federation, and this could change only after a qualified majority express their will in a referendum. Even if a referendum were held in Slovakia, there would be no reason to hold one in Bohemia. Regarding the Liberal Democratic Party's declaration, we will not let ourselves be provoked by some Slovak politicians' declarations, and we will not react prematurely."

Jan Marek, deputy chairman of the Czechoslovak People's Party: "The right of nations for self determination must be respected. If the Slovak nation intends to establish its own state, we cannot prevent it from doing so; however, first we would like to know what the citizens think about the matter. Then we can consider when and how to execute the will of the CSFR citizens."

Zdenek Malik, of the Movement for Self-Governing Democracy - Society for Moravia and Silesia: "I understand the Liberal Democratic Party's standpoint, and I endorse it because we cannot implement a reasonable budgetary policy while knowing that our state will fall apart in nine years. If we were to trust Slovak Prime Minister Jan Carnogursky's words, then we would have to invest the majority of the Czech Republic budget's financial resources in such a way as to get rid of the dependence on the Slovak economy. Should this be the case, any redistribution between the budgets of both republics would be excluded and, maybe it would be better to separate immediately."

Jiri Svoboda, chairman of the Communist Party of Bohemia and Moravia: "I consider the Liberal Democratic Party's declaration irresponsible. Political representatives of both republics may speculate about the federation's division, yet they are not backed by the population's opinion. I believe that this shows that the contemporary politicians broke away from the electoral base. It would be better if Czech representatives dealt with their own national and regional policy, rather than reacting to individual statements of Slovak representatives. A nationalistic card has been brought into the game in Slovakia, and political representatives there have gradually become the prisoners of the game that has no outcome."

CSSD Official Discusses Coalition Possibilities

AU0808090291 Prague RUDE PRAVO in Czech 30 Jul 91 pp 1, 5

[Interview with Czechoslovak Social Democracy Chairman Jiri Horak by Lubos Resler; place and date not given: "We Are at the Beginning of the Road of Return to Government Responsibility"]

[Excerpts] [Resler] At the beginning of July, you adopted a new party program. Can you sum up its main principles?

[Horak] The Czechoslovak Social Democracy [CSSD] wants to be a modern party. Above all, we must promote the interests of laborers and other employees, small businessmen, and pensioners. This must be reflected in our program, in which we emphasize the unity of economic policy with social security, employee protection, and with the right of trade unions to comment on the fundamental issues of economic and social policies. At the same time, we emphasize the need in our economy for a transfer to a social market system, for opening ourselves to Europe and the world, for a democratic pluralist system, for the legal security of the population, etc. We insist on the implementation of the principle of each individual's responsibility for his own life as well as of the obligation of the state to conduct a clear and responsible economic policy and to protect the socially disadvantaged. We also endeavor to create optimal conditions for the coming generations, to care for the environment, and to maintain cultural values. And one more thing: The preservation of the unity of the state is imperative for us.

[Resler] Whom does the Czechoslovak Social Democracy consider to be its political partner, or perhaps an ally?

[Horak] Anybody who cares about the interests of democratic Czechoslovakia, who is willing to contribute to the creation of a democratic pluralist system, a legal state, and a prosperous economy, a system that will respect the fact that the state has an obligation to its citizens in the area of social security. The possibility exists in the Czech Republic of a cooperative coalition between us and several political groupings of the center and parties to the left of this political position. We talked about the possibility of such a coalition for several weeks with the Agricultural Party and the Czechoslovak Socialist Party. I believe that they are our natural partners. Our social concern links us with the People's Party, awareness of the ecological danger with the Greens, the political arrangement of the state with the Civic Movement. However, it will depend on all these parties whether a common coalition can be negotiated. It takes two to tango.

[Resler] Now the opposite, whom would you not consider for an ally?

[Horak] The parties and movements that assume the extreme left or right positions, or emphasize nationalist, perhaps even chauvinist tendencies, not to speak of racism. After the unfortunate experience in the past, under no circumstances would we consider cooperation with the Communist Party or parties. This does not mean, however, that we would agree to any witch-hunt or to discrimination against those who used to be communists—of course, if their conduct has not banished them from decent human society. [passage omitted]

[Resler] In Germany, the Social Democratic Party won elections in several laender and is on its way to taking over the government. What are the results of the Czechoslovak Social Democracy in comparison with this success?

[Horak] Recently, the Social Democratic Party of Germany [SPD] actually won a number of Landtag elections. Before that, the Christian Democrats were brought to the heights of power by the euphoria over the defeat of communism and the unification of Germany. The German social democrats are gaining credit because people have encountered the difficulties of the transformation of the former GDR and have begun to realize that the SPD is ready to deal with the problem more realistically and responsibly. I am convinced that as soon as our citizens begin to perceive this analogy, our party will mark gains against the right wing. The CSSD stands at the beginning of the road of return to government responsibility, and this beginning is not as bad as is often implied. We are gaining a good position in voters' minds, we endeavor to conduct our own politics, and we do not believe in tales of all-encompassing, boundless movements. [passage omitted]

[Resler] A year and a half after its revival, your party has developed links abroad stronger than any other party in Czechoslovakia. Are you not overdoing it?

[Horak] No. In most countries, the future of Europe will be prepared by sisterly social democratic parties, and therefore, it is necessary for us to be in close contact with them.

Commentary Views Motives Behind Gabcikovo Dispute

AU0708144091 Prague MLADA FRONT DNES in Czech 3 Aug 91 p 2

[Jan Jelinek commentary: "Not Only the Danube Is Involved"]

[Text] If we complete the Gabcikovo water project on our territory and deprive the Hungarians of a piece of the Danube, none of our ships will make it to the lower reaches of this river, and trucking routes into Hungary may also be affected. God knows what other threats of further sanctions will yet be made. It is an absurd situation. It is as if we did not live in Europe, a continent so vehemently keen on mutual cooperation. However, even absurdities have their own logic. It seems to me that this Gabcikovo absurdity—however ambiguous and obscure it may appear at first glance—has recently begun to assume relatively clear contours.

The several days of protests directly on the site of the water project have come to nothing, and construction is continuing in accordance with the new plans. The official Hungarian protest made at the beginning of this week against the filling in of the derivation canal has not in the least influenced its course. This is like jackals howling at the caravan as it makes its way unmistakably toward its goal. Of course, I am of the opinion that this goal is not an engineering, power industry, financial, and ecological settlement of the unfortunate dregs of socialism's mania for giantism and its contempt for ecology. I am gaining the ever stronger impression that the completion of Gabcikovo is intended to be the means for achieving ends other than those put forward in this connection by Slovak politicians.

The Gabcikovo-Nagymaros water project issue has culminated in a political issue. First of all, because an ecologically motivated wave of political protest rose up against it in Hungary and soon afterwards in our country. However, a larger wave is now rolling in from Bratislava, a wave in which I see far-reaching political aims concerning future development in Slovakia. Who, in fact, is making decisions about Gabcikovo today? Formally, the Federal Government is; however, in practice, the Slovak Government is making them. This is a very sensitive issue if the federation wants to influence everything that is happening in Slovakia. The federal environment minister, who should have one of the decisive votes in this issue, has been relegated to the role of a bystander. I do not think this could be a coincidence. He is preparing to address the Hungarian Assembly in the coming weeks, but I doubt, however, that his mission will be successful. Even the Hungarians are not so bothered today by the possible pollution of the huge reservoir of underground water; they are rather more bothered by that strong Slovak wave behind which they sense a possible danger.

Unfortunately, the key to resolving the Gabcikovo dispute is not held by the renowned foreign experts who could weigh up all the pros and cons and suggest a compromise solution to both sides, that is, the least possible evil. I am afraid they will not be given such a say immediately. Until the feelings of national and political confrontation between the Slovak and Hungarian sides fade, even more diplomatic notes will be exchanged on account of Gabcikovo—between Budapest and Prague, of course.

Official on Army Redeployment, Reorganization

LD0708153691 Bratislava Ceskoslovensky Rozhlas Radio Network in Slovak 1000 GMT 7 Aug 91

[Text] Colonel General Karel Holub, deputy chief of the General Staff, spoke today at the regular briefing at the Defense Ministry about some issues of redeployment and reorganization of the Czechoslovak Army. Our colleague, Miroslav Minar, has telephoned in a more detailed report from Prague:

[Minar] The course of the progress to date in the reorganization and redeployment of the Czechoslovak Army, which places emphasis on the Slovak Republic territory, is proceeding in accordance with the approved schedule. This is how one could describe, in brief, the address today by the deputy chief of staff. On the basis of the requirements aimed at speeding up the fulfillment of certain measures, the first stage of reorganization was completed in Slovakia by 1 April 1991. Within its context, the number of personnel in five motorized riflemen and tank battalions has been increased. These military units were also moved out into new garrisons. The second stage, which will be completed by 31 October, is under way now. Within its context the peacetime numbers of all components of the two divisions will be increased by 5,000 persons. In reality, this will mean a 60-percent fulfillment of the established task. By 1 April 1992, the task should be fulfilled by approximately 69 to 76 percent. This will constitute a numerical rise of another 2,000 people.

Col. Gen. Holub also told the attending journalists that the concentration of combat equipment in 10 declared localities in the whole CSFR was completed by 31 July. The concentration was comprised on the whole of 5,888 pieces of combat equipment. Eighteen armored vehicles, belonging mainly to engineering troops and the Federal Ministry of Interior, are still to be concentrated. The process of concentration of this equipment will be completed by 30 October.

Controversy Over Soviet Compensation Continues

LD0708140591 Budapest MTI in English 1304 GMT 7 Aug 91

[Text] Budapest, August 7 (MTI)—Lieutenant General Antal Annus, Hungarian Government commissioner at the talks on financial issues of the Soviet troops pull-out, told a press conference here on Wednesday that the zero version was just one possible alternative.

He said that the negotiations suspended on June 25 will first have to be completed, i.e., a detailed list of claims must be drawn up before the two governments are in a position to settle the account.

The Soviets currently take an entirely different line, saying that talks on settling the bill should start immediately without a detailed listing of claims.

Until now, the two countries have managed to come to an understanding on just two items.

One is the value of facilities the Soviet troops constructed in Hungary: Both sides put this at 53,000 million forints (700 million dollars).

The other is that, by neglecting to maintain buildings they used which are owned by Hungary, the Soviet troops did damage worth 14,000 million forints (184 million dollars).

The issue the two sides differ most on is how to assess the ecological damage.

The Soviet Union is unwilling to acknowledge more than 3,500 million forints (46 million dollars) of Hungary's claim for over 60,000 million forints (790 million dollars), and proposes cheaper, 'alternative' damage recovery methods than those put forward by Hungarian experts.

Talks must be conducted in accordance with 'European norms': sending messages through the press is not an acceptable method for us, Annus said at the press briefing.

Defense Ministry Briefing on Talks With USSR

LD0708123191 Budapest Kossuth Radio Network in Hungarian 1000 GMT 7 Aug 91

[Janos Molar report]

[Excerpt] At the Defense Ministry news briefing, the question of the Hungarian-Soviet negotiations on the economic settlement has been raised; in addition to this, the official reviewing parade for cadets at the military academy and preparations for this year's 20 August fireworks have been outlined. Our reporter is Janos Molnar:

[Molnar] The order of the news briefing was upset by the arrival of Lieutenant General Antal Annus, who reported on the present stage of the dispute over the settlement of financial matters following the withdrawal of the Soviet troops. He said no official reply has yet been received from the Soviets to the Hungarian proposal that was presented on 11 July urging the settlement of the still-outstanding questions. Therefore, we do not consider relevant the critical IZVESTIYA article that was quoted in yesterday's NEPSZAVA.

The Soviet negotiator continues to propose the immediate settlement of accounts. We would like to close the still open questions, and only as a second stage would we turn to numerical verifications. Before the negotiations, it is essential to clarify the competency of the Soviet negotiator, so that we can have real negotiations and not just discussions. The speedy agreement is also essential because the compensation for damages that require immediate action needs 1 billion forints, and this must be paid by those who caused the damage.

Antall Annus is confident that the Soviet partner will fulfill the obligations accepted in earlier agreements and that we will be able to agree on the disputed issues in accordance with European norms. The prolongation of this could damage good, neighborly relations based on the recognition of each other's interests. [passage omitted]

Data on Pollution Caused by Soviet Army Reported

AU0708133191 Budapest MAGYAR HIRLAP in Hungarian 1 Aug 91 p 5

["H.A."-signed report: "Tokol: We Can Only Guess the Size of the Environmental Damage"]

[Text] Budapest's water supply is in danger. Several members of our government, led by Prime Minister Jozsef Antall, visited the former Soviet air base at Tokol a week ago. News got around that our capital's water supply was in danger due to large-scale environmental pollution. We asked the people who investigated the matter about the exact level of the danger.

At first, we asked Istvan Endredy, who directed the national survey on environmental damages caused by the Soviets, why the results of the survey had to be made secret.

In his opinion, the data was not made secret, although Ministerial Commissioner Gabor Szabo, deputy state secretary, prohibited their publication. This was necessary for an adequate negotiating position because the Soviets are very sensitive to all reports in our mass media. The Environmental Inspectorates are obliged to give the survey results to the affected local governments and to other entrepreneurs and institutions that are to use these installations, on the basis of guidelines laid down by the ministerial commissioner.

The Company for Survey and Soil Analysis [FTV], led by Office Manager Zsolt Sajgo, carried out the assessment of environmental damage in the area of Tokol airport.

We asked him about the level of direct danger threatening Budapest's water supply. According to his explanation, the level of threat to the wells and water table always depends on the actual water level of the Danube and the amount of rainfall. The main direction of water flow is toward the Danube, that is into the wells, but the direction changes toward the middle of the [Csepel] island, at a higher than medium or a high water level. Therefore, we can only estimate the time when the water-holding layers in the ground and the wells will become polluted. This could happen in five to 10 years, in the case of the waterworks at Halasztelek. Pollution will appear much sooner, within five years, in the area that has been earmarked for the future water supply of Budapest. The situation could become dangerous within 50 years at the Tokol wells. Istvan Stefan, an FTV employee, announced that 3,000 cubic meters of hydrocarbon pollution can be found in this area. Some 1,740 cubic meters of that is in the form of liquid kerosene on the surface of the water table. Approximately 1,000 to 1,500 cubic meters can be extracted by using the wells, but the polluted soil will also have to be cleaned. The polluted soil amounts to 700,000 cubic meters. Extraction through the wells is the cheapest solution and according to preliminary figures, it would cost 60 to 70 million forints. The removal of pollution from soil granules can be done by biological methods or by ventilation [kilelegeztetes]. Some 62,000 cubic meters of communal waste mixed with dangerous waste was detected in one area of the airport, and 80,000 to 85,000 cubic meters of the same was detected in another area. The removal of all the contamination might take as long as one year.

We learned from the experts that foreign companies would examine the pollution processes at the northern part of the Csepel island in a one-and-a-half year long PHARE [Economic Reconstruction Aid for Poland and Hungary] program.

Nationally, the FTV surveyed the environmental damage caused in 32 installations. They found the most severe damage at the airports in Sarmellek, Tokol, and Kunmadaras. They found serious contamination at Petfurdo, where a fuel base operated since the 1960's. Some 80 percent of this 30-acre area is mainly polluted with gasoline. The carbohydrate pollution endangers inhabited areas at the so-called Huszar army post, which is in the area of the West-Transdanubian Environmental Protection Inspectorate. Heavy metal contamination many times over the permissible limit was detected at the firing range in Vati, not far from a drinking-water spring.

Finance Minister Reports on Unemployment, Budget

AU0808104991 Budapest MTI in English 1316 GMT 6 Aug 91

[Text] Budapest, 6 August (MTI)—In the forthcoming period of privatization, the Hungarian Government will have to give priority to curbing growing unemployment, Hungarian Finance Minister Mihaly Kupa told a press conference on Tuesday.

The number of unemployed in Hungary is currently 186,000, corresponding to 4 percent of the population eligible for work.

The finance minister said the government would from now on permit privatization with "equity generation," that is part of the income from the sale of state property may be ploughed back into the company's initial capital in an effort to maintain as many jobs as possible. This will of course lessen the state's income from privatization.

According to the minister, the financial standing of the population will not deteriorate to the extent expected.

The Finance Ministry has started elaborating next year's budget. The draft budget will be submitted to parliament before August 31.

Forecasts for next year's budget deficit range from 50,000 to 70,000 million forints. As a result of lower than expected tax revenues, Hungary's budget deficit is likely to be some 10,000 million forints more than was planned for this year. (The planned deficit for this year was 78,000 million forints.)

The main elements of next year's budget will be a reduction in the role of the state as a redistributor of wealth, and a cut in government expenditure. At present, 60 percent of GDP is collected and redistributed by the state. This percentage should be cut to 53-55 percent in three years.

Welfare Ministry Official on Social Safety Net

AU0708121491 Budapest MAGYAR NEMZET in Hungarian 31 Jul 91 p 4

[Interview with Istvan Kakuszi, deputy state secretary at the Hungarian Welfare Ministry, by MAGYAR NEMZET correspondent Elo; place and date not given: "There Are Many Holes in the Social Safety Net"]

[Text] According to a public opinion poll conducted by MAGYAR NEMZET, 31.5 percent of the people surveyed think that the financial situation of their household has become much worse in the past six months. This prompted our interview with Istvan Kakuszi on the shortcomings of the social safety net in Hungary and on the Welfare Ministry's plans:

[Kakuszi] Unfortunately, we do not have enough funds, although ministries, local authorities, and nongovernmental aid organizations also participate in establishing our social supply system. Therefore, our ministry's role is decisive but not exclusive in this multichannel support system. For example, the work of church organizations that deal with the most disadvantaged groups in society is very important. Unfortunately, this system is only being formed now. Some of its elements have been set

up, but that is undoubtedly too little. We also need time to develop a complete social safety net, and our cooperation with the local authorities could only be established a few months ago. Therefore, we not only have little money but also little experience so far.

[Elo] Do you think the local authorities are right in worrying that their social fund may run out by the end of 1991?

[Kakuszi] Our government allocated 5 billion forints to counteract the energy price rises. In spite of that, it is possible that the budget's social fund that is allocated to local governments will run out. Many local governments grasped the opportunity and regrouped funds from other places. We can still supplement the local authorities' social fund by a few million forints within this year.

[Elo] Small villages feel the greatest threat because wages are very low in these places, and usually there are also many pensioners.

[Kakuszi] We need more all-encompassing measures here. We are considering the use of different norms beginning in 1992. Before the end of 1991, the Assembly will deal with the situation of local governments that are in deficit because we have some money available for their support.

[Elo] Several hundred million forints were left over from the subsidy on interest-tax. What will happen to that?

[Kakuszi] We regrouped that and built it into the aforementioned support for energy price rises, namely into the family allowance and pension supplement, or into the supplementary increase of norms for inactive citizens that is given to local governments.

[Elo] The number of unemployed continues to rise.

[Kakuszi] The Assembly will discuss the social bill in 1992, and this might establish the legal background for caring for the most disadvantaged groups. Unemployment benefits guarantee a basic livelihood for a given time. If these benefits expire, or the benefits are not sufficient for subsistence due to family reasons, or the person in need has never worked, then social support is given. We would like to establish employment for social reasons, thereby providing activity for these people. We will set up a fund for this.

[Elo] The unemployment of new graduates is a gripping problem. Several thousand young people are without jobs. Together with the Ministry of Culture and Education, we have set up programs for those who have completed basic schooling; therefore, they can continue their studies. Universities offer many opportunities for further education for those people who have finished highschool, and we have taken a loan from the World Bank to develop further education in Hungary. University graduates can find employment as professors' assistants but naturally in limited numbers only.

[Elo] Do they also receive unemployment benefits?

[Kakuszi] They have to register at the labor centers, and they can receive unemployment support for six months.

[Elo] Experience shows that there are several holes in our social safety net.

[Kakuszi] The increasingly impoverished population and the middle class, whose status is diminishing, present an increased challenge for our social policy. While it is increasingly difficult to acquire more money, the number of holes in the social safety net is also increasing. As a result, we are forced to take temporary measures and extinguish the already-burning fires. The social support system can only hope for a final arrangement from a well- developed economy.

Number of Strike Participants Reportedly 300,000

LD0708210491 Budapest MTI in English 1810 GMT 7 Aug 91

[Text] Budapest, August 7 (MTI)—The industrial strikes called by the workers' Solidarity trade union federation went ahead in an orderly fashion, without incident, in places where workers joined the appeal, said Ferenc Doboroczki, member of Solidarity's national crisis committee, in an interview with MTI.

The strike was called in protest at the recently approved laws dissolving trade union assets, and prescribing the means of paying trade union membership fees. According to Solidarity, these laws represent an intervention into the internal affairs of the trade unions.

Preliminary figures indicate that some 300,000 employees took part in the national strike. The crisis centre expects precise figures to be available at about midday on Thursday. The fact that workers in many sectors were put on forced holiday leave over the past days considerably restricted participation in the strike. According to information received by the crisis centre, the largest turnout was noted in Vac, Solidarity's main bastion, where the action involved almost all the sectors of the town.

Defense Minister Cautions SFRY on Violations

LD0708181791 Belgrade TANJUG in English 1618 GMT 7 Aug 91

[Text] Budapest, Aug 7 (TANJUG)—Hungarian Defense Minister Lajos Fur has stated that this country, because of events in Yugoslavia and violations of borders, was concentrating reconnaissance equipment and radio-locating facilities in its border belt towards Yugoslavia.

Fur, in an interview to the NEPSZAVA paper today, said that Yugoslav helicopters and aircraft have lately violated Hungarian air space several times. He added that "this has not happened in long years."

The Yugoslav side, said Fur, was cautioned that "Hungary does not want (this practice) to continue, whether the air space violations have, or have not been deliberate."

He said that it was not true that Hungary was warmongering and helping militarily the Yugoslav republics of Croatia and Slovenia, but he somehow could understand that the past history had made the Serbian parliament propose that Hungary and Austria be exluded from international negotiations on Yugoslavia.

He, however, said he could not understand why the Yugoslav Republic of Serbia had suggested that Germany, too, should be excluded.

"Berlin and Bonn are entirely innocent as regards Yugoslavia," said the Hungarian minister.

Serbia's parliament had proposed that Hungary, Austria and Germany should be ruled out of international political negotiations on Yugoslavia" because these are the countries that have armed Croatia and Slovenia."

Daily on 'Hoax Reports' About U.S. Arms Sales

LD0808084191 Budapest MTI in English 0743 GMT 8 Aug 91

[Text] Budapest, August 8 (MTI)—'American officials termed as a hoax reports which spread in Hungary, whereby the United States had lifted the COCOM restrictions in the matter of arms sales to Hungary, Czechoslovakia and Poland,' writes an article in Thursday's issue of the daily 'MAGYAR HIRLAP'.

Under the reports circulating, the related document was signed by Reginald Bartholomew, deputy secretary of state, and was also approved by Secretary of State James Baker, prior to the Moscow summit.

Donald F. Mulligan, an official of the Office for Political and Military Affairs of the U.S. State Department, told the daily's Washington correspondent that, in his view, the false report can be traced back to a report by UPI, which was full of false information. He stressed that the report is not true.

With respect to the COCOM restrictions, Mulligan compared the former situation with the current position as follows: 'Those who want to purchase arms from the United States must request a permit from the office. Earlier, we would simply have told Hungary to not waste its time. Today, we examine the requests individually, and tell - or would tell - Hungary, Poland and Czechoslovakia to not waste their time if the request concerns important military consignments, precisely the F-16 fighters, battle helicopters, land- air missiles or tanks. Inasmuch as the request involves smaller consignments, less significant items, then we might consider it if it accords to the American regulation', Mulligan said.

Linda Lum, an official of the U.S. Defence and Trade Office, told the Washington correspondent of 'MAGYAR HIRLAP' that Deputy Secretary of State Bartholomew did sign a document on lifting restrictions, but that had nothing to do with COCOM, and the COCOM restrictions. What he lifted falls under the 'prohibited areas of delivery, chapter of ITAR, the International Traffic and Arms Regulation, the American regulation of arms exports.

'Under its terms, Hungary can now officially receive components which may have been made for military use in the United States, but which will be used for civilians aims in Hungary. I am mainly thinking about items as, for instance, installations for use on passenger aircraft.

'Regarding the COCOM restrictions, inasmuch as Hungary makes its export control system stricter, in a way that we can be certain that the arms purchased by Hungary do not reach any other destination, then we may possibly consider the re-examination of COCOM restrictions. I would very much stress this is only a possibility,' Lum said, in the interview.

Ministry Official Denies Arms Sold to SFRY

LD0808082291 Warsaw PAP in English 2155 GMT 7 Aug 91

[Text] Warsaw, Aug. 7 - Director of the department of European institution at the Polish Foreign Ministry Andrzej Towpik denied reports that Poland was selling arms to Yugoslavia.

"We do not deliver arms, ammunition nor spare parts to the fighting sides in the conflict" he told journalists at a meeting here Wednesday.

Poland will take part in a consultative meeting of the 35 CSCE member countries on the peaceful solution to the armed conflict in Yugoslavia which is to start in Prague on Wednesday.

Director Towpik also reported that Poland voiced its readiness to take part in a goodwill mission to Yugoslavia which initially met with a favourable reception by that country.

Poll Finds Corruption 'Great Problem'

LD0708172791 Warsaw PAP in English 1412 GMT 7 Aug 91

[Text] Warsaw, Aug. 7—Asked whether corruption is now a great problem in Poland, 71 per cent of the respondents to a poll conducted last July by the public opinion research centre answered affirmatively and about half of them deemed it a "very great" problem.

Sixty five per cent of the respondents sized up actions taken so far by bodies prosecuting people responsible for economic fraud, including corruption, inadequate, 6 per cent as adequate and 21 per cent of the respondents did not know anything about such actions.

Seventy four per cent of the respondents voiced their support for the initiative to set up economic police and 7 per cent did not support it.

Fifty nine per cent think that all groups of officials are corrupted to the same extent.

Fifty three per cent of the respondents did not see any difference between the "old" and the "new" nomenklatura. The remaining respondents pointed twice as often to corruption among officials holding their posts for a long time (22 per cent) than on new posts (11 per cent).

'Art-B' Corporation Implicated in Bank Scandal

LD0708211391 Warsaw PAP in English 1903 GMT 7 Aug 91

[Text] Warsaw, August 7—"Art-B," believed to be Poland's largest private firm, has come under investigation as part of wider probes into the possible misuse of financial resources from Poland's state-owned banks, the Warsaw provincial prosecutors office announced on Wednesday.

Since June 18, the prosecutors office and the investigations department of the Office for the Protection of the State, had been investigating the allocation of funds, in breach of current regulations, from the National Bank of Poland (NBP), the central department of the Polish Savings Bank (PKO-BP), and other banks. The investigations have centred on capital issued in bank-guaranteed loans, and divided between several firms, including "Art-B" Corporation Ltd. Export-Import of Cieszyn (southern Poland).

On August 6-7, charges were brought against 5 people, including senior bank officials, accused of illegal activities causing serious losses to the state treasury, and of falsifying documents. All are under detention, the prosecutors office said.

Daniel Wasilewski, press spokesman for "Art-B," told reporters on Wednesday that he had no knowledge of the arrests.

"Art-B" became closely implicated on Tuesday morning, when offices of the company in various parts of Poland were raided, and documents seized. "Art-B" President Boguslaw Bagsik told "GAZETA WYBORCZA" in a telephone interview on Tuesday that the company had borrowed no credits from Polish banks for 8 months, and held substantial deposits.

Bagsik, and Vice President Andrzej Gasiorowski are reported to be out of Poland at the moment, allegedly to negotiate the sale of the company, or alternatively an injection of foreign capital. In a telephone interview on Wednesday, Bagsik denounced the actions taken against the company. "Art-B" had become "pre-election meat," he said. Bagsik refused to divulge his whereabouts. He suggested that "the highest political circles" were implicated in the affair.

"Art-B" is one of the largest, and least well-known, private firms in Poland. According to "GAZETA WYBORCZA," the company, founded in 1989, made its first million dollars by selling West German goods at dumped prices in Walbrzych. It grew rapidly, so that by mid-1991 the firm employed 15,000 people and had a turnover of 300 million dollars.

There are signs, though, that the firm is experiencing difficulties. A deal to sell 6,000 tractors bought from the crisis-ridden "Ursus" factory, which cost "Art-B" 350 billion zlotys (27 million dollars), ended in fiasco. On July 30, Bagsik offered the company for sale at 500 million dollars. An unnamed source told "GAZETA WYBORCZA" that at least two branches had no money to make payments or purchases, and that inventories were being checked at many of the firms outlets.

Solidarity 80 Assails Government Policies

LD0708155991 Warsaw PAP in English 1401 GMT 7 Aug 91

[Text] Szczecin, August 7—The National Consultative Committee of "Solidarity 80" on Wednesday announced

its "categorical opposition to the progressive impoverishment of Polish society through persistent price increases."

In a document signed by "Solidarity 80" leader Marian Jurczyk, the union accused the present government of conducting policies designed to impoverish whole sections of Polish society.

"The government bears full responsibility for the collapse of Polish industry and agriculture. To continue present policies could lead to mass social protest," the union stated.

Rural Solidarity: Peasants Sabotage Agriculture

LD0808085391 Warsaw PAP in English 2208 GMT 7 Aug 91

[Text] Warsaw, Aug. 7—Facing the market difficulties in selling agricultural products and considering government's reluctancy to start negotiations over the condition of Polish agriculture, the Solidarity union of individual farmers announced on Wednesday a protest action.

Rural Solidarity Union's Deputy Chairman Antoni Furtak told newsmen on Wednesday that peasants were the major saboteur of the agricultural industry for their money had not enough purchasing power.

In Bialystok, the headquarters of the free trade union at the municipal transportation enterprise stated that mass dismissals of workers that staged a protest action in the enterprise were illegal.

The interfactory strike committee of the Lubin copper pit called off on Wednesday the strike alert declared several days ago as the negotiations on miners postulates from May 19 had been resumed.

New joint-venture the "Thompsonpolcolor" was registered on Wednesday following the agreement signed on Tuesday between Polish "Polcolor" and "Thompson Tubes and Displays" enterprises, the move that ended almost a week-long strike in the factory on Warsaw outskirts.

Regional Solidarity Official on Union's Role

AU0708090291 Warsaw RZECZPOSPOLITA in Polish 1 Aug 91 p 1

[Interview with Maciej Jankowski, chief of the Mazowsze branch of Solidarity, by Ewa Szemplinska; place and date not given: "From A Regional Chief's Angle"]

[Excerpts] [Szemplinska] In recent months, "Solidarity" has been presenting such a populist image and voicing so many claims that the opinion that it is beginning to threaten the economic reform is not entirely unjustified.

[Jankowski] I disagree. The main complaint of "Solidarity" members and employees is that the union is too soft in the struggle for wages and workers' rights. The union is in a very difficult situation because on the one hand its basic task is to safeguard the interests of workers, but on the other hand it does not want to upset the changes occurring in Poland. "Solidarity" has not distanced itself from the reform at all, but we are only interested in the type of reform that is taking place in western European countries, a reform that takes civic, workers', and social rights into consideration. Yet in Poland one can observe the emergence of an oligarchic state like in Latin America.

[Szemplinska] What does that mean?

[Jankowski] A very narrow group of people enjoys privileges not because of its ability or work input, but because of its origins and connections. This group certainly includes the nomenklatura elite of the previous system, but also people from "nowhere," from the fringe, as well as members of completely new political set-ups and elites.

[Szemplinska] But if these people are bold and enterprising?

[Jankowski] Very few of them are. The rest enjoy automatic privileges thanks to their connections, or their access to information (for instance, they might find out about changes to customs duties or income tax before other people do), or thanks to their talents in shady business dealings. A normal person wishing to involve himself in production or trade stands no chance against these groups. [passage omitted]

[Szemplinska] Do you think "Solidarity" is degenerating?

[Jankowski] It is committing a sin by not occupying the place it used to occupy. It is too timid in pointing the reform in the right direction, as a result of which there have still not been any general talks between "Solidarity" and the government and we have not been briefed on the government's economic policy. The only success, and only after 18 months, is that we are finally being briefed on industrial policy. Yet people are entitled to early information on the ways in which the reform will affect them and what the outcome will be. It might sound like a joke, but in fact no industrial policy was formulated earlier, yet no one in the union denies that the whole of industry has to be protected and preserved. All we are concerned with is a system of priorities, and the protection of the Polish market in a clearly defined way. "Our" two governments have failed to do that. The previous one built itself a comfortable nest. It established red capitalism and sanctioned it legally. The result is that we are being exploited as under capitalism, but our productivity is as under communism.

[Szemplinska] You are exaggerating.

[Jankowski] No. In Poland one can sell good quality food, machinery, and electronic equipment, but one must give Polish producers a chance, instead of flooding

the market with Korean imports. "Solidarity," which has not only territorial divisions, but industrial branch divisions as well, has a concept about what requires particular protection.

[Szemplinska] Have there been any talks with the government about this?

[Jankowski] No, because the government did not want to talk. In the Mazowsze region we are now trying to form an engineering pressure group at Warsaw Polytechnic, which should join forces with the financial group and work for the benefit of Polish industry. After all, production is organized by scientists and financiers, not charlatans.

[Szemplinska] You criticize the government's economic moves. Can "Solidarity" offer any program on regional employment restructuring and combating unemployment?

[Jankowski] The problem of unemployment differs from one region to another. For instance in Warsaw and other large conurbations there are unemployed persons, but there are also job vacancies, and it is just a question of retraining people or compelling them not to cling stubbornly to their jobs. But in the provinces the problem can be drastic, for example Starachowice, where the fate of 15,000 families depends on one single factory. "Solidarity" does have a program on how to salvage the enterprise. It involves entering into joint production with the British in manufacturing a small delivery truck. However the cost of the program is enormous; it involves making 6,000 employees redundant. The Starachowice plant is to hold talks with Prime Minister Bielecki about saving the plant, because it would cost 2 trillion zlotys [Z] to close it down, but only Z400 billion to open a new production line. In the Mazowsze region we have worked out a program of restructuring for the northern, more threatened part of the region. We are not hiding our plans in a filing cabinet. However, the union cannot take the place of the state. You accuse me of exaggerating my criticism, but all I am trying to say is that there are people who are affected by Balcerowicz's plan, and they have no control over and no involvement in the things that are happening at their expense. [passage omitted]

[Szemplinska] Western investors keep saying that they are scared to invest in Poland because the presence of the unions inside enterprises is too strong. What do you think?

[Jankowski] I have never encountered this accusation before, despite my contacts with numerous capitalists. They are accustomed to strong unions and mechanisms of negotiation. They fear the instability with which "Solidarity" is associated, but most of all they fear the bureaucracy inside ministries and the omnipresent climate of corruption. They fear the flexibility of the regulations and the sluggish pace at which even the simplest matters are dealt with. For social reasons, they also have reservations vis-a-vis local government bodies.

[Szemplinska] Finally, "Solidarity" has decided to take part in the parliamentary elections. Is that a proper role for a trade union?

[Jankowski] It does not happen very often, but it is certainly not unique in Europe. The union has decided to nominate a limited parliamentary representation that will not be part of the government, but will be a parliamentary club looking after workers' interests. Right now there is no party that could take the union's place, but I do not mean to say such a party will be needed in the next Sejm.

[Szemplinska] What about Zbigniew Bujak's Solidarity of Labor, linked to the Democratic-Social Movement?

[Jankowski] I am a coauthor of Solidarity of Labor's programmatic principles, but this party is lost on the political scene. Zbyszek Bujak is an enigmatic figure who in 1989 declared that the role of "Solidarity" as a trade union was finished and has been trying to form a social democratic party for the past month. He might grow up to be an excellent politician, but right now he is talking just like the Social Democratic Party of the Republic of Poland, and until I actually see what he has done, I do not believe anything he says.

[Szemplinska] And will you run as candidate?

[Jankowski] No. I am a trade unionist, chief of a "Solidarity" regional branch, and I have lots of work that I want to finish. In any case there are 460 Sejm deputies, but there is only one regional chief.

FSN Rejects Call for Minority Roundtable

AU0708213891 Bucharest ROMPRES in English 1843 GMT 7 Aug 91

[Text] Bucharest ROMPRES, 7/8/1991—"The proposal of the Hungarian Democratic Union of Romania is the expression, from its very introductory paragraph, "of an obvious ill-faith, which can hardly favour real dialogue and understanding," writes a statement issued by the FSN [National Salvation Front] Steering Committee and forwarded to ROMPRES for release.

The statement was made in connection with the proposal of the UDMR's National Council "to call a national round table with the aim of solving the minorities problem," with the participation of the Romanian Government, the FSN, the opposition parties, other political forces, and minorities.

The statement also shows that the debating of the so-called "national problem" at such a "round table" would be a makeshift, pointless, inefficient, non-democratic and unacceptable method." A decision to be made by such a round table, runs the statement, would be tantamount to ignoring democratic institutions and procedures, to pushing still further the end of the provisional period in the life of our society by resorting to improvisations devoid of political legitimacy and having nothing in common with the exigencies of the state of law." Consequently the National Salvation Front cannot accept such an approach.

The statement also rejects the proposal that the round table in question acquire the status of a mediatory body in the Romanian-Hungarian inter-state relations and underlines that the Steering Committee of the FSN finds the dialogue as the only means to solve any problem and "the parliament of Romania as the only institution that could ensure the appropriate conditions for such a meeting, through its standing committees."

Daily Warns of Possible Economic Collapse

AU0708181191 Bucharest TINERETUL LIBER in Romanian 3-4 Aug 91 p 1

[Iulian Constandache editorial: "Toward a Possible Collapse?"]

[Text] In his recent tour of Bacau and Neamt Counties, the Romanian president was confronted with a number of problems that represent some of the most serious socioeconomic realities of the country. From the discussions we witnessed, here is a report on the prevailing situation in some economic units that is symptomatic for the entire national economy. Thus, Onesti refinery is in a critical situation because of a lack of oil. It could make a profit even if it worked at 50 percent of its capacity; however, its activity has been suspended. Borzesti thermal station has 30-year-old Soviet equipment that barely functions at all. Darmanesti refinery works at only 35 percent of its capacity, but it has huge stockpiles of goods because of lack of transport wagons. "Petrotub" [expansion unknown] Roman works at half of its capacity. "Mecanica" ["Mechanics"] Ceahlau is stifled by the financial blockage. Almost each economic unit—now endowed with the pompous title of commercial society—is faced with tough problems. This state of affairs—noted at the level of two well-industrialized counties—is symptomatic of the entire Romanian economy. Generally speaking, several basic branches are registering a dangerous recoil that is getting increasingly more difficult to bring under control. These branches are: energy, petrochemistry, iron and steel, railway transportation, and the banking system. Since they are in a dynamic correlation, the defect of a branch produces shock waves in the others. The Romanian economy is suffering from an energy "breakdown," lack of raw materials, the prevalence of old installations, deficit transportation, unsold commodity stocks, and financial blockage, that in turn are reflected at the social level in inflation, unemployment, the loss of highly skilled manpower, pollution, and social tension. Therefore, a possible socioeconomic collapse is no longer a chimera, but a serious, not too distant and worrisome prospect.

As I said, these painful conclusions came up during the president's roundtable discussions with the economic "agents." These so-called "agents" were not from the KGB or CIA but were the managers of the industrial monsters of Ceausescu's making. Each manager fiercely defended his mansion and begged for help. They asked for investments, subventions, and aid to keep the industrial colossi functioning. None of them cared whether their produce is salable and to whom. They were only interested in "digesting," just to preserve all the structures, people, and jobs as in the past. As the peak of these "valuable ideas," a little manager from AZOCHIM [expansion unknown] suggested that we stop importing methane gas from the USSR through multinational companies and instead build our own, sturdier pipeline. I do not want to mention other "praiseworthy" initiatives for expanding, not smashing, these colossi. For me, the interesting aspect of these discussions was that they all started from incontestable realities and outdated mentalities. What can one do with people who do not really understand the processes of a market economy? Everybody expected the president to come with a bag of credit lines. He only came with a suitcase of hopes, moral incentives, and vague promises—as autographs for a new electoral campaign. This, however, does not change the economic situation in the least. The slide down toward a possible collapse becomes ever more visible.

Government Communique on Roman's Visit to Moldova

AU0708215291 Bucharest ROMPRES in English 1841 GMT 7 Aug 91

["Governmental Diary: Communique on Prime Minister Roman's Visit to the Republic of Moldova"—ROMPRES headline]

[Text] Bucharest ROMPRES, 7/8/1991—To translate into fact the accords signed during the visit Premier Petre Roman paid to the Republic of Moldova, a consensus should be reached in the shortest possible time on the list of goods and their volume that account for the exchanges to be effected over 1991-1992, and an inter-bank convention be

concluded on the opening of special detailed accounts as part of a technical credit, shows a communique on the visit released by the information department on Wednesday.

For a better organization of collaboration and for the putting into practice of the bilateral accords and understandings, a state sub-secretariat for economic, cultural and scientific relations with the Republic of Moldova was set up under the Romanian premiership. A mutual representation is also to be ensured on an economic and commercial line, while the relevant bodies and the economic agents, the private ones included, shall have direct meetings to make best use of and benefit from the particularly favourable framework created.

The provisions of the accords and the measures agreed upon for their implementation are included in Romania's system of treaties and accords, being in full harmony with its position in the international and regional relations as a hole. Moreover, the understandings reached consolidate Romania's system of accords both on a regional and on a world plane. Romania's Government assesses that the recent accords are a major step forward toward broadly, progressively developing collaboration between Romania and the Republic of Moldova, in all spheres of economic and social life, in the interests of their common prosperity, the communique shows in conclusion.

Romanians, Moldovans Polled on Living Standards

AU0708214091 Bucharest ROMPRES in English 1828 GMT 7 Aug 91

[Text] Bucharest ROMPRES, 7/8/1991—More than half of Romania's population (55 per cent) and of the Republic of Moldova's (56 per cent) consider that now the general economic situation in the two states is bad. Only 14 per cent in Romania and 7 per cent in Moldova (Bessarabia) think it is good, while 25 per cent and 33 per cent, respectively, assess it as very bad, shows an opinion poll made by the Public Opinion Polling Institute (IRSOP) of Romania in cooperation with the similar institute (INSOC) in the Republic of Moldova at the end of July this year on 2,240 persons representative for the populations aged over 17 in Romania and the Republic of Moldova.

Admitting an error of 2.1 per cent, plus or minus, the poll shows that the families' material condition is the same as last year (40 per cent of the interviewed in Romania and 39 per cent in Moldova) and it worsened (44 per cent in Romania and 48 per cent in Moldova). Only 14 per cent and 11 per cent, respectively, assess that it improved.

Most—40 per cent in Romania and 39 per cent in Moldova—consider that the economic situation will grow worse next year, 29 per cent and 31 per cent, respectively, think it will remain unchanged and only 23 per cent and 13 per cent, respectively, expect it to improve.

Only 2 and 1 per cent, respectively, of the interviewed think the inhabitants of Romania and of the Republic of Moldova will live in the next one-to-three years like those in the West, 8 and 5 per cent, respectively, assess that such a living standard can be attained in 4-to-5 years, 7 and 6 per cent, respectively, in 7-to-8 years, 17 and 13 per cent, respectively, in 10-to-11 years, 34 and 42 per cent, respectively, in over 11 years, while 2 [as published] and 27 per cent, respectively, have no opinion.

Almost half in Romania (45 per cent) and over a half in Moldova (54 per cent) families are short of money, 21 per cent and 17 per cent, are now very poorly off, 31 per cent and 26 per cent, respectively, are in good money circumstances, while only 2 and 1 per cent, respectively, are in a very good money condition. As for their dwellings, 14 per cent of the interviewed in Romania are very satisfied with it, 56 per cent are contented, 27 per cent are dissatisfied and 3 per cent are very discontented with it. In Moldova, the percentages are 6, 57, 32 and 6.

Most of Romania's and the Republic of Moldova's inhabitants are contented with their life in general, the poll shows specifying that in Romania 5 per cent are very satisfied with it, 66 percent contented, 27 percent dissatisfied, 2 percent very discontented, while in Moldova 3 percent are very satisfied, 61 percent satisfied, 31 percent discontented and 5 per cent very discontented.

Daily Views Domestic Effect of SFRY Separatism

AU0808130591 Bucharest ROMPRES in English 0903 GMT 8 Aug 91

[Text] Bucharest ROMPRES 8/8/1991—"Until now, the August 7 issue of DIMINEATA daily reads, Romania has adopted a cautious stand towards the events in Yugoslavia, its principled stand favouring the maintenance of the Yugoslav state's unity and territorial integrity. The geopolitical implications of the Yugoslav crisis are very grave and they will inevitably influence—sooner or later—Romania, too. Firstly, the existence of a hotbed in the neighbourhood of Romania's Western border has many risks and dangers: Traffic of weapons, mercenaries attracted by the theatre of military operations, refugees, provocations for the eventual expansion of the conflict and involvement of other minority ethnic groups into actions like the ones in Croatia and Slovenia. The Croatian separatists, the daily adds, could be imitated by the Hungarian ones who, also encouraged from Budapest, will take their own actions aiming at the annexation of certain territories in Vojvodina to 'Great Hungary'. After such a precedent it is hard to believe that certain groups of Hungarian extremists in Romania would not feel themselves encouraged to do the same in Transylvania, in those regions where the Hungarian minority is more compact..."

"The danger we take the liberty to draw the attention to, the aforementioned daily concludes, is as real as possible. Such a situation should not take us by surprise or unprepared or isolated or without allies from both a political-military and a moral point of view."

Federal

Kostic Views Cease-Fire Issues

LD0708194191 Belgrade TANJUG Domestic Service in Serbo-Croatian 1714 GMT 7 Aug 91

[Excerpts] Belgrade, 7 Aug (TANJUG)— Whether the SFRY Presidency decision on cease-fire will be enforced does not depend on the state cease-fire commission, but on the willingness of the warring parties to observe it. Vice President of the SFRY Presidency Branko Kostic, commission chairman, told TANJUG today following a session of the state cease-fire commission.

The cease-fire can be observed by both sides for some time, but if other measures listed in the decision—demobilisation, storage of weapons under joint control, reduction in interior forces to their peacetime strength, and reduction of Yugoslav People's Army [YPA] forces to peacetime strength and their withdrawal to barracks—then cease-fire will not provide guarantees that truce will last.

It is too early to make first assessments of the outcome of the SFRY Presidency decisions, first, because the decision came into force at 0600 this morning, and we know from previous experience that most actions and clashes occur at night. So, we can only make assessments tomorrow, Branko Kostic said.

At a session convened for Friday, the Commission will consider methods of operational and modes of enforcing the cease-fire, and it will propose that the SFRY Presidency adopt relevant decisions.

Today we have held the fourth session of the state commission, after commission members visited Osijek, where they had talks with representatives of the Croatian authorities and Osijek state bodies. Yesterday the commission had talks with representatives of the National Council for Slavonia, Baranja and Western Srem. It is important to stress that both sides expressed resolve to observe the cease-fire and voiced trust in the state commission. Although we had separate talks yesterday, both sides asked same questions and sought assistance form the commission, Kostic added.

[passage omitted] Representatives of the Croatian government and the Osijek municipality, Kostic went on, put forward a special plan to our group for insuring the evacuation of people wounded in war clashes. We agreed that the YPA should be engaged in this and that the necessary consent be reached to carry out this job. Both sides raised the issue of hostages and wounded persons and this should be discussed by the group either today or tomorrow at a joint meeting with representatives of the Croatian government, the authorities in Osijek, and representatives of the Serbian people in this region. [passage omitted]

Asked about the commission's stand on a possible request by the EC or either of the [warring] parties in Yugoslavia for involvement in supervising the cease-fire, Kostic was decisive. "The control of the cease-fire will be carried out by the Yugoslav organs." He recalled a particular item of the decision planning that, should the state control find it necessary, while controlling the cease-fire, to engage foreign observers, it would make such a proposal to the Presidency which is in charge of passing such decisions. Every involvement of foreign observers therefore implies a previous decision passed by the SFRY Presidency in its capacity of the collective head of state, Kostic stressed.

As far as the involvement of the Army in the cease-fire is concerned, its role has been defined by the decision, Branko Kostic recalled. The YPA would be engaged in case of a serious violation of the cease-fire to separate the conflicting sides, and its task would also be to prevent the movement of armed formations, regardless of which side they belong to, as well as to prevent any concentration of armed formations, Kostic added.

Discussing the process of disarming paramilitary units, Kostic said that the Presidency knows for sure that the peacetime forces of the Croatian Ministry of Internal Affairs numbered 16,000 armed persons on 30 January this year, and now the number is nearly 100,000. Whether the Croatian National Guard is a part of the Ministry of Internal Affairs or not is less important than the fact that through the process of demobilization, the number of armed people should be greatly reduced, Kostic said, stressing that this is the best guarantee for security and safety. It is also well known, he added, that there are 24,000 armed people on the territory of the Serbian autonomous region of Krajina. In this case, mutual acceptance of the disarmament measure would mean that the number of armed people in Krajina would return to the usual peacetime level.

As far as further arrivals of arms in Yugoslavia are concerned, Kostic said that they have information on the purchases of the most advanced weapons. Asked to comment on the latest cargo of arms in the port of Bar, Kostic explained that according to the official information at his disposal, it is clearly a commercial deal. It is another matter, he noted, whether it was wise to get involved in such a deal in the present situation, regardless of the great profit it brought the enterprises.

No matter what kind of political system Yugoslavia will have in the future, it is certain that it will be in the interest of all parts of this Yugoslavia, and in this specific case even Croatia, to be armed, regardless of whether it remains within its structure, or whether it will be formed as an independent state. The decision to achieve a cease-fire and to reduce the armed forces is aimed at lowering tensions and is an attempt, in a possibly peaceful atmosphere, to find a political solution for the future structure of Yugoslavia, Kostic added. Whether Croatia will form its state or not is a matter for political talks that should follow the cease- fire, he stressed.

The composition of the commission remains unchanged, except for Janez Drnovsek who refused to be its member, Kostic added.

For the commission to oversee the implementation of the cease-fire, it is planned that three control centers will be set up: in Slavonia; Banija and Kordun; and Knin. The commission will adopt its final stance about this on Friday. The Federal Secretariat for Internal Affairs is currently setting up groups to be sent to control centers. Representatives of the Croatian authorities and the Serbian people in Croatia will be involved in the work of control centers, especially in controlling demarcation lines. For security reasons, the commission cannot send groups to the control centers until it is confirmed that both sides are abiding by the cease-fire.

Asked whether cease-fire is possible, Kostic said that unless political dialogue starts soon, it is certain that the cease-fire will not last long. As far as the cease-fire is concerned, Kostic stressed that he expects that results can be achieved, because the international and domestic public is pressing for a peaceful solution. Recalling that a cease-fire is in the interst of the warring parties, Kostic added that he is more optimistic when it comes to the cease-fire than to reaching a political agreement on the future order in the country.

The commission decided today that the international and domestic public should be daily informed about the cease-fire. So, from tomorrow daily press conferences will be held, at which Federal Assembly Vice President Irfan Ajanovic will answer journalists' questions, Branko Kostic concluded.

FEC Discusses Implementing Cease-Fire Decision

LD0708164591 Belgrade TANJUG Domestic Service in Serbo-Croatian 1411 GMT 7 Aug 91

[Text] Belgrade, 7 Aug (TANJUG)—The Federal Executive Council [FEC] Information Secretariat reported that at todays session, presided over by President Ante Markovic, a plan of activities of the appropriate departments for the implementation of a decision of the SFRY Presidency on immediate and unconditional cease-fire in Croatia was examined.

The FEC believes that it is necessary to insure a permanent cease-fire to prevent casualties, devastation, and destruction of property. According to the FEC, this will create conditions in which the SFRY Presidency, with all republican presidents, i.e. presidents of republican presidencies, should initiate the examination of a proposal of the FEC on the functioning of the system in the moratorium period. Simultaneously, negotiations on future relations within the country should be initiated.

The FEC again stresses that all conflicts can be resolved in a peaceful and democratic way, because this is the only way in which blockade can be lifted from the successful implementation of the reform, and the initiation of a democratic dialogue about all contentious issues can be made possible.

The Federal Goverment, for its part, declining to wait for the convening of the Yugoslav summit, which has so far been postponed several times, has begun separate talks with some republics on the reestablishment of the system during the moratorium. The FEC's conclusion is that the system has to be reestablished before the end of this month, because, failing this, Yugoslavia will find itself in an irremediable situation. The payments system in the country has already been restored, except for one republic that has economically isolated itself within its borders.

The FEC adopted a report on the Prime Minister's visit to the USSR, saying that his visit surpassed expectations. The realization of a protocol signed by the two Prime Ministers will considerably improve the economic situation in the country. Soviet oil imports will have a positive effect on our foreign trade balance to the tune of $1 billion. During this visit an agreement was reached on a new way of payment between the two countries, which should reduce the exchange surplus recorded on our side.

Endorsing a report on the aid given to refugees from crisis areas in Croatia, the FEC has concluded that 50 million dinars from the budget reserve should be directly channelled through to the users, not through the republican bodies, the FEC statement from today's session concludes.

State Presidency Commission Visits Osijek

LD0708163591 Belgrade TANJUG in English 1547 GMT 7 Aug 91

[Text] Osijek, Aug 7 (TANJUG)—Member of the Yugoslav State Presidency Vasil Tupurkovski stated today that cooperation between Yugoslavia and the European Community (E.C.) has not closed.

"It would be difficult to achieve peace in Yugoslavia without the participation of a European mission and the (Economic) Community," Tupurkovski told newsmen in the Slavonian city of Osijek in northeastern part of the Yugoslav Republic of Croatia.

Tupurkovski stayed in Osijek as member of the Yugoslav Presidency's commission assigned to oversee a ceasefire in Croatia. Two more members accompanying him were Bogic Bogicevic, Yugoslav Presidency member from the Republic of Bosnia-Hercegovina, and Irfan Ajanovic, vice-president of the Federal Assembly.

In Osijek, the three commission members held talks with representatives of the Croatian and local authorities about securing the ceasefire in this area where fierce clashes have taken place the last few weeks between Croatian paramilitary units and armed Serbian population.

It was underscored at their meeting that "what was most important was that the talks have been held at all" thus opening up the prospects for dialogues and negotiations.

Negotiations, as Osijek Mayor Zlatko Kramaric said, would be a long-lasting process that might not be expected to produce results overnight.

Bogic Bogicevic stressed that all and one would have to be engaged in order to preclude any wrong moves.

"There is no alternative to peace and democratic settlement of problems," said Bogicevic and added that the JNA [Yugoslav People's Army] had its role in the establishment of truce pursuant to last night's decision by the Yugoslav State Presidency, while units of the Yugoslav Interior Ministry would also be engaged as an interposition force to act between the conflicting sides.

General Adzic Visits Banja Luka Corps

LD0708135791 Belgrade TANJUG Domestic Service in Serbo-Croatian 1157 GMT 7 Aug 91

[Text] Belgrade, 7 Aug (TANJUG)—The high level of their motivation and their patriotism expressed through a responsible attitude toward military conscription and the defense of our country, good training and strong morale are a reliable guarantee that the Banja Luka Corps units will resolutely perform every task that are entrusted to them to resist efficiently the wreckers of Yugoslavia. As reported, this was stated by Colonel General Blagoje Adzic, Chief of the General Staff of the SFRY Armed Forces, after he inspected several units in the Banja Luka garrison and at the Manjaca training area commanded by Lieutenant Colonel General Nikola Uzelac.

General Adzic, Colonel General Aleksandar Spirkovski, commander of the first army area, and their associates are very satisfied with the combat readiness and the training level demonstrated by members of the mechanized armored unit commanded by Lieutenant Colonel Ratomir Simic. This unit, which has at its disposal most sophisticated equipment and weaponry, of exceptional maneuverability and firepower, performed at a very high professional level. No difference was detected between the permanent and reserve unit complement, despite some ill-intentioned attempts to reduce the effects of the mobilization.

The Chief of the General Staff and his aides were convinced of the high-level training of reserve staff also in the artillery unit commanded by lieutenant Colonel Desimir Gavrovic. This unit demonstrated a high-level ability to master efficiently the complex conditions of staying on the ground [boravak na terenu]. They applauded General Adzic's statement on the Army's resolve to contribute to peace and also, should the need arise, to carry out consistently their commitment to the defense of the country. The Chief of the General Staff briefed the officers on the current security situation in Yugoslavia and on the Yugoslav People's Army tasks in overcoming the Yugoslav crisis, the statement issued in Belgrade says.

International

Jovic: EC Moves 'Unacceptable'

LD0708150191 Belgrade TANJUG in English 1304 GMT 7 Aug 91

[Text] Novi Sad, August 7 (TANJUG)—Member of the Yugoslav Presidency Borisav Jovic has assessed as "unacceptable" the way in which the E.C. peace mission "is internationalizing the Yugoslav crisis."

"They want all their proposals accepted at any cost,' said Jovic in an interview published by the Novi Sad daily DNEVNIK on Wednesday. This, he added, appears to him "a bit like a blackmail, threat or imposition of solution from outside."

"We appreciate the European Community's interest in a peaceful settlement of the situation in Yugoslavia, but nobody has the right to alter decisions of its legitimate organs or to proclaim his peace mission a failure if he does not succeed in so doing," stated Jovic.

He noted, commenting on the announced sanctions against Serbia, that the European Community was not specific enough in mentioning the integrity of Yugoslavia and the right to self-determination.

The E.C. points out, "above all, the question of the country's integrity and the people's right of self-determination, so that it is vague which of the two is stronger. The prevalent view seems to be that the problems in Yugoslavia should be resolved peacefully, implying probably both self-determination and secession by peaceful means," said Jovic.

The crucial issue is "does the E.C. recognize the sovereignty of Yugoslavia," the member of the Presidency concluded.

Press Assesses Results of EC Mission

LD0708115191 Belgrade TANJUG in English 1039 GMT 7 Aug 91

[Text] Belgrade, Aug 7 (TANJUG)—The Belgrade daily BORBA opines today that the head of the European Community "Troika," Foreign Minister of the Netherlands Hans van den Broek, bears part of the blame for the the failure of the mission in Yugoslavia.

The daily says the bulk of the blame for the total failure of the E.C. peace mission in Yugoslavia rests on Yugoslavia's "tribal leaders".

"Nothwithstanding absolute respect for both the E.C. and Mr van den Broek, and not doubting for one minute

his good intentions (...) we cannot but observe that the European mission has made what can at least be termed foot-faults," BORBA says.

The daily says the conduct of the mission, characterized by ultimatums if not outright extortion, was already clear to all during the signing of the Brioni Declaration on July 7, and "continued during the drafting of the memorandum of agreement on the deployment of an E.C. monitor mission in Yugoslavia."

"The formula according to which papers are dropped on the table without allowing a single comma to be altered in the declaration or memorandum is certainly not in keeping with good diplomatic and particularly negotiating manners," BORBA says.

It could well have been expected that "constant pressure, threats and extortion would inevitably provoke a counter-reaction by Balkan's stubborn barons," BORBA concludes.

The Belgrade daily POLITIKA EKSPRES writes that Europe has failed to grasp the reasons for the Yugoslav crisis and its essence.

"Is it right to apply double standards for Northern Ireland and Kosovo—why is it impossible to understand that Serbs in Croatia want to follow the chequered banner just as much as the Israelis want to live under the swastika," the daily asks.

"Failing to arrive at an exact diagnosis of the causes and consequences inevitably results in chaotic criteria," POLITIKA EKSPRES concludes.

The Zagreb daily VJESNIK writes that the E.C. "troika's" mission cannot be assessed as unsuccessful.

"Although a truce has not been achieved, something much more important has: Europe has finally and irretrievably realized exactly what is happening in Yugoslavia," VJESNIK writes.

"It has finally been understood that the party primarily responsible for the hostilities in Yugoslavia, and that includes the war in Croatia, is Serbia," the daily argues, adding that in its view Serbia has experienced its international downfall and that "the free world will not tolerate a Saddam in the Balkans."

Regardless of the decisions that will be reached at The Hague, "it is already quite clear that every available political means will be employed against Serbia's aggression," VJESNIK concludes.

Austrian Official: Country Not Exporting Weapons

LD0708185291 Belgrade TANJUG in English 1646 GMT 7 Aug 91

[Text] Belgrade, August 7 (TANJUG)—President of the Foreign Policy Committee of the Austrian parliament Peter Schieder stated in Belgrade on Wednesday that his country was not exporting arms into Yugoslavia, neither were any military formations to help certain Yugoslav republics being trained on its territory.

He stated this at a press conference at the Yugoslav parliament, setting out that Austria's intentions were peaceful and it hosted "no political force intending to re-tailor the Yugoslav borders."

According to the decision of the Austrian parliament to export any, even arms for sports events, a special authorizatton was needed, and "such permits were not being issued now," as he said.

Schieder heads an Austrian parliamentary delegation on a two-day visit to Belgrade. The delegation has held talks with representatives of the Yugoslav Federation and the Republic of Serbia, and was also received by Serbian President Slobodan Milosevic.

Schieder told newsmen that these talks were open.

"There was readiness in Yugoslavia to solve the crisis by peaceful means and to accept the assistance of the European Community," said Schieder.

Austrian Delegation Ends Visit, Returning 8 Aug

LD0708215191 Belgrade TANJUG in English 2046 GMT 7 Aug 91

[Text] Vienna, August 7 (TANJUG)—Peter Schieder, the head of the Austrian parliamentary delegation which visted Belgrade, said that the situation in Yugoslavia was "dangerous and dramatic", but that there was, nevertheless, a glimpse of hope for a peaceful resolution.

Schieder said this at a news conference at Vienna airport on his return from Belgrade where he had met with Yugoslav and Serbian officials.

The Austrian delegation tomorrow returns to Yugoslavia—to Zagreb, the capital of the Yugoslav Republic of Croatia, and Ljubljana, the capital of the Republic of Slovenia.

"The failure of the E.C. mediation mission has made Yugoslavs stop and think. Even Serbian President Slobodan Milosevic has changed his stand on the E.C. and now urges continuation of the mission of the 'twelve'," Scheider said.

The deputy of the right-wing People's Party, Andreas Kohl, said that "some misunderstandings concerning Austria were cleared up in Belgrade" since the Austrians explained to their hosts that their country had not delivered arms to Slovenia and Croatia.

Kohl said that the Austrian delegation expressed concern about the condition of human rights in the province of Kosovo, which is a part of the Republic of Serbia, and urged peace talks among all six republics and the provinces of Vojvodina and Kosovo.

"No one reproached us for interfering in their internal affairs, which is the best sign that the internationalization of the Yugoslav crisis has been completely successful", Kohl said.

Dumas Seeks National Territorial Integrity

LD0708155691 Belgrade TANJUG in English 1520 GMT 7 Aug 91

[Text] Paris, August 7 (TANJUG)—French Foreign Minister Roland Dumas today said that 'Yugoslavia's external and internal borders cannot be touched.'

Dumas urged 'continuing the pressure' of the international community in order to settle the Yugoslav drama by 'peaceful means and through dialogue'.

Recalling the special meeting of the European Community's (E.C.) Council of Ministers in The Hague, the French foreign minister pointed out two principles which are the basis of the french stand—the inviolability of the borders and 'respect of the rights of minorities in all the republics.'

France continues to firmly demand the preservation of the Yugoslav community and rejects the recognition of Slovenia and Croatia.

The Yugoslav Republic of Slovenia on June 26 unilaterally proclaimed secession from Yugoslavia. The Yugoslav Republic of Croatia declared independence and sovereignty on June 25 and launched proceedings for dissociation from Yugoslavia.

The Brioni Declaration on a peaceful settlement of the Yugoslav crisis dating from July 7 calls for a three-month suspension of these unilateral acts of the republics.

France, according to Dumas, is not against unblocking economic aid and E.C. loans to Yugoslavia provided that a cessation of conflicts is observed.

Explaining the French Government's initiatives to set in motion the U.N. Security Council and the Western European Union (WEU), Dumas said that 'it is necessary to get the international community interested in the Yugoslav problem'. However, there are a number of legal-political obstacles to the effective participation of the U.N. and the WEU.

Since a civil war in Yugoslavia should be prevented at all costs, which is the essence of the joint stand of the 'Twelve' despite a series of noticeable differences among them, Dumas beleives that 'everthing, including the setting up of interposition forces on site, should be considered.'

The E.C. is not entitled to play a military role, so Dumas believes it necessary to launch the WEU, the only military organization of Western Europe.

The WEU convened a meeting today at the level of ambassadors to review recommendations of the twelve foreign ministers adopted in the Hague.

Paris commentators today indicated the biased stand of Germany, which wants to 'punish Serbia' and to recognize the independence of Slovenia and Croatia. It has been assessed as dangerous for the E.C. to side with some against other republics.

Moscow Warns Against Taking Sides in Conflict

LD0708115391 Belgrade TANJUG in English 1047 GMT 7 Aug 91

[Text] Moscow, August 7 (TANJUG)—Last night's statement on Yugoslavia by the Soviet Government strongly demonstrated that the Soviets are concerned about the denouement of the Yugoslav drama.

The Soviets masterfully worded this document—it cannot give anyone grounds to claim, as some politician in Yugoslavia are trying to do, that the statement is a result of the revival of the "Yalta formula" in the Kremlin last week.

Moscow is primarily appealing to the Yugoslav Federal and republican leaders to approach each other today, because tomorrow it might already be too late.

There are interesting reports, which might well be true, that, in the reviewing of the Yugoslav drama, Soviet President Mikhail Gorbachev had taken steps to curb the appetites of some European hawks who see their historical chance in the disintegration of Yugoslavia.

Informed circles claim that Gorbachev had told German Chancellor Helmut Kohl in Kiev last month to excercise moderation in his attitude towards the Yugoslav problem.

Perhaps yesterday's stand of the European twelve on the unacceptability of any change of Yugoslavia's internal and international borders by force should also be analyzed in the light of Gorbachev's warnings. It is rumored, namely, that the Soviet head of state had told Kohl that he should carefully consider what unilateral support to Slovenia means.

Kohl gave serious consideration to this logic and later moderated his stands, as it became clear following the Kiev meeting. That is why the Soviets, in last night's statement, warn that it must be kept in mind that other nations also live in Slovenia and Croatia, and that it is dangerous to take sides, because one might then automatically find oneself in a conflict with others—in Yugoslavia or outside it, which would then be a general European conflict.

The warning is so serious and weighty—that no-one should try and provoke a senseless European, or even world war. Foreign observers in Moscow last night said that this Soviet warning should be taken in just such a way.

Loncar Confirms Nonaligned Chairmanship Intentions

LD0608200591 Belgrade TANJUG Domestic Service in Serbo-Croatian 1835 GMT 6 Aug 91

[Text] Istanbul, 6 Aug (TANJUG)—Federal Secretary for Foreign Affairs Budimir Loncar said in Istanbul tonight that Yugoslavia will continue to fulfill the role of chairman of the Nonaligned Movement, despite the problems it is currently confronting .

In his welcoming speech to the participants in the conference of the foreign ministers of the Islamic Conference Organization in Istanbul, taking place between 3 and 8 August, Loncar set out Yugoslavia's views on current developments in the world and on the issues of primary interest to the Nonaligned Movement. He also spoke of the problems Yugoslavia is presently facing and of the efforts to overcome them.

Loncar made use of his stay in Istanbul, which lasted several hours, to hold separate meetings with several foreign ministers of the Islamic Conference Organization member countries.

Budimir Loncar Receives Papal Envoy

LD0708150791 Belgrade TANJUG Domestic Service in Serbo-Croatian 1332 GMT 7 Aug 91

[Text] Belgrade, 7 Aug (TANJUG)—Federal Secretary for Foreign Affairs Budimir Loncar received His Eminence Monsignor Jean Louis-Tauran, secretary of the Holy See for Relations with States. Tauran is paying a visit to Yugoslavia as the personal envoy of Pope John-Paul II.

During their talks, emphasis was made that during this period, which is crucial for the Yugoslav nation, all political and other factors have enormous responsibility. Particular stress was made that the Catholic and Orthodox churches could play an important role through their cooperation for the restoration of the seriously damaged trust between the Croats and the Serbs. Both sides concluded that cease-fire and the restoration of peace is now the most important thing.

Loncar and Tauran believe that a dialogue on the political future of Yugoslavia should most urgently be continued. They also discussed international issues, particularly the humanitarian dimension of the CSCE and activities of the Nonaligned Movement.

Reportage on Kucan's Visit to Austria

WA0608182091

For reportage on the visit by Slovene Presidency President Milan Kucan to Austria, including reports on his talks with Austrian Nationalrat President Heinz Fischer in Ludmannsdorf, see the Austria section of the 6 August West Europe DAILY REPORT and subsequent issues.

Slovenia

Jansa, Bavcar News Conference Reported

AU0708191691 Ljubljana Radio Slovenia Network in Slovene 1330 GMT 7 Aug 91

[Helena Lovrencic report on news conference by Slovene Defense Minister Janez Jansa, Slovene Internal Affairs Minister Igor Bavcar, and Slovene Information Minister Jelko Kacin in Ljubljana on 7 August]

[Text] In the introduction to the news conference Internal Affairs Minister Igor Bavcar discussed the results of the investigation of five acts of sabotage on power poles and a gas station and about the conclusions on the origin of explosive devices. The explosive devices in question were manufactured in Ivangrad, Security Institute in Belgrade, and Rudi Cajevac [Factories] in Banja Luka. The pattern of the acts of sabotage—Bavcar believes that it does not originate on the territory of Slovenia but in central Yugoslavia—resembles the terrorism of Martic's militias in the Sibenik area. The mode of operation is also similar, while the means used in the actions are identical. The acts of sabotage carried out so far fortunately did not result in human casualties, but the possibility of such casualties is increasing, as the sabotage acts are now approaching residential areas. Bavcar also suggested two main goals of such actions—to destabilize the security situation in Slovenia and to cause material damage. We can expect the sabotage to continue, especially on the communications networks and easily accessible power-generating installations, particularly the systems linked to the nuclear power plant. Because the sabotage actions are approaching residential areas, Bavcar called upon residents for cooperation. By reporting suspicious-looking persons and cars, staying in particular areas, and behaving according to the civilian defense principles, everybody would contribute to greater security.

Defense Minister Janez Jansa presented a quantitative analysis of recent operations and military activities. Seventy-two major clashes, in which a fairly large number of armed forces participated, occurred on our territory. Here Jansa drew particular attention to numerous participants of the civilian defense and the members of the national defense [pripadniki narodne zascite], whose contribution was so far unjustly neglected. Jansa explained that more people perished on the side of the aggressor because the Army used armored vehicles and a direct hit effects the whole crew. There were more wounded on the side of the defense because the Army used aviation and mass destruction means [sredstva za mnozicno unicevanje]. He compared the number of Army members before the aggression with its number after the adoption of the Brioni Declaration and noted a 50-percent decrease in manpower, which the Army, despite its claims to the contrary, was not able to compensate for with the military reserve, because it

would weaken its positions in Croatia. Jansa also touched on the reasons for Army's withdrawal from Slovenia.

[Begin Jansa recording] The essence of the answer to this questions lies in the interpretation of the Brioni Declaration and in the Brioni Declaration itself. The Brioni Declaration contained unfavorable demands for the Republic of Slovenia, which we were forced to fulfill and are still fulfilling, but nevertheless allowed enough maneuvering space for us to retain the positions we achieved in the military sphere. You probably all remember a specific demand in the Annex 1 of the Brioni Declaration that the Army must retreat to the barracks. We consistently insisted on this provision, and the stand of international observers on this matter was also unanimous. However, the Army's retreat to the barracks triggered a question whether it would be possible to physically fill the Army ranks once it has retreated to the barracks. The Brioni Declaration does not specifically outline this point, and we interpreted it as not possible, because if this were possible then, of course, in two months we would find ourselves in the same situation as before the aggression, or in an even worse situation, as the units in Slovenia would probably be filled up with the military reserve and not draftees, and the situation would be altogether different. After a thorough study of the Brioni Declaration—before it was ratified in the Slovene Assembly—we found the necessary maneuvering space, and after we held talks and consultations with international observers, we took the stand that during the moratorium the Army cannot fill its units in Slovenia. Because the military service of many draftees in these units was ending at that time, and because the units that took part in the fighting in Slovenia lost 50 percent of their manpower, such a development would additionally speed up the process of the Army's disintegration. I also have to say that 90 percent of military equipment in Slovenia was not usable, either because the Army lacked crews or because its crews were incomplete. Therefore, the units that remained in Slovenia after the Brioni Declaration were, of course, useless. The Army was militarily and morally defeated in Slovenia. The side that loses 50 percent of its manpower loses the war, regardless of the specific circumstances.

The crucial point for Slovenia's survival was to safeguard, that is to say, prevent these units from getting reinforcements. We insisted upon this, the Brioni Declaration permitted it, and the international observers agreed with such an interpretation. So we did it—we strictly closed our southern border to those reinforcements. There were only some helicopter transports by the Army that were carried out because there was no other way left, namely, their ground transports were stopped in Dobova and Bregana. The result of all this was the SFRY Presidency decree as we know it. The second reason that contributed to such a decree being adopted in the SFRY Presidency was Serbia's interest in the several billion dollars worth of combat equipment that is now intensely placed around the territory Serbia physically controls. With this transport and reorganization, Serbia is objectively becoming one of the strongest military forces in the Balkans. Formally speaking this is, of course, a matter of the future, but in reality this is currently under way, and this matter should not to be neglected even in the [word indistinct] of the international assessments. [end recording]

Jansa also spoke on the directions the Army is withdrawing from Slovenia. The publicly known directions are Doboj, Banja Luka, Travnik, Tuzla, Sabac, Erdut, Valjevo. The withdrawing units are meant to fill a void in Bosnia-Hercegovina that would emerge after the units currently stationed there move forward toward Croatia and Slovenia—something that is called for in the Bedem II military plan, as Jansa called it, and which Slovenes recently acquired.

[Begin Jansa recording] The plan foresees that after the troops have withdrawn from Slovenia to the positions on the second line—in Bosnia-Hercegovina and on the western Serbian border—the phase of the attack upon Croatia would begin. The attack would be carried out with three armored shock units [oklepni udarni klin]—with the advancement of three armored shock formations—advancement in the middle, in the Sisak—Zagreb direction, would be the most important. After those Army units, fortified by the military reserve from Serbia and some units of the Serbian Territorial Defense, have conquered Croatia and forced it to surrender, the second phase of the attack on Slovenia would begin. They would continue to advance with three armored shock formations in the three logical directions. The prerequisite for the initiation of the second phase is complete control over Croatia. These plans have been made. They are supposed to involve classic military actions using all sorts of aviation capabilities that the Army possesses, using artillery to prepare grounds for the attacks and using helicopter airdrops. These (?macroplans) have already been made—as I have already pointed out, we possess fairly accurate information about this—while the microplans are still being drawn up. The actions are planned for the end of September. [end recording]

Such Army moves would require at least 45 days, Jansa said, and he pointed out that such a possible plan should neither be overestimated nor underestimated. Therefore, a quick internationalization of the Yugoslav question is needed, but this should not be placed above the recognition of the republics' autonomy, Jansa said. He added that we do not need foreign armed forces, but if Croatia wants them, then Slovenia will support this. Regarding the Bedem II plan Jansa said that if the fighting spread from Croatia to Bosnia-Hercegovina—which must not happen—a civil war with unforeseeable consequences would begin in the country. For this reason the Croats should protect their side of Danube and secure a protective cordon [sanitarni kordon] toward Krajina.

At the end of the news conference Jansa answered a question raised many times in the foreign and domestic

press about whether the arms loaded on the ships in Bar were really destined for Slovenia and Croatia.

[Begin Jansa recording] We intentionally did not want to deny this before we obtained detailed information about these weapons, although it is probably clear to everyone that Slovenia would not import such weapons via Montenegrin ports, and Croatia probably would not either, would it?

Well, disregarding all this, it has now been established that the arms in Bar originate from the free market of weapons that was until now located in Lebanon. With the changes of the circumstances in Lebanon, with the announced peace negotiations, and because it was believed that these weapons would sell better and for more money in Yugoslavia, the black market for weapons [crno orozje] was transferred to Bar. Of course, this transfer occurred with the approval of the Yugoslav authorities. To be precise, a deal was made between the Federal Directorate for Traffic with Special Products and with those who represent those arms merchants that these arms will now be on sale in Bar. In this deal the Federal Directorate earned several million dollars, of course. [end recording]

At the end, Jansa explicitly warned people not to purchase military apartments as they cannot be sold. The issue of military apartments will be resolved together with all other property matters of the Federation.

Slovenia To Recognize Macedonian Sovereignty

LD0708221691 Belgrade TANJUG in English 2117 GMT 7 Aug 91

[Text] Skopje, August 7 (TANJUG)—Dusan Plut, a member of the Presidency of the Yugoslav Republic of Slovenia, tonight said that the Slovenian parliament will recognize the sovereignty of the Yugoslav Republic of Macedonia. Macedonia will then recognize the independence and sovereignty of the Republic of Slovenia. This is important for the international legal subjectivity of both states, Plut said at a news conference after his talks with Macedonian officials.

The Macedonian parliament decided on Tuesday to hold a referendum on September 8, where its citizens will decide whether they are for 'an independent and autonomous Macedonia, authorizing it to enter future alliances of sovereign states of Yugoslavia'.

Slovenia, in keeping with the results of a referendum held late last December, unilaterally declared independence on June 25.

Macedonian parliament President Stojan Andov said at the news conference that Macedonia and Slovenia are categorical in their stand that the war in Yugoslavia had to stop and that the Yugoslav dispute be settled peacefully, through negotiations.

Army Withdrawal 'Only a Tactical Move'

LD0708191291 Belgrade TANJUG Domestic Service in Serbo-Croatian 1805 GMT 7 Aug 91

[Text] Ljubljana, 7 Aug (TANJUG)—At today's news conference, Slovene Defense Minister Janez Jansa presented a text about—as he stated—"a secret meeting between the Chief of staff of the SFRY Armed Forces, Colonel General Blagoje Adzic, and top Army officers, held on 5 August."

According to the text, General Adzic said that "the Presidency decision on the Army withdrawal from Slovenia is only a tactical move, aimed at preventing the escalation of armed conflicts between the Yugoslav Army and the Slovene Territorial Defense and at gaining time and avoiding heavy losses among its own ranks .... Consolidation of the situation in Slovenia should be prevented by using false accusations, threats, diversions, and assassination methods. Some deserted facilities should be mined and prepared for destruction by placing remote control devices; some officers of the territorial defense have joined the Slovene Territorial Defense at the order of the Yugoslav Army, with the aim of acting in the rear of the Slovene defense forces at a later stage."

"We should take away from the territory of the Republic of Slovenia all mobile possessions of the Yugoslav Army; equipment should be taken from buildings, so the Slovene Territorial Defense is prevented from working in these buildings .... The Krsko nuclear power plant should be incapacitated for work by attacking nuclear waste storage and external installations necessary for the work of the station. These measures will only be implemented if Slovenia secedes Yugoslavia (and not in the case of dissociation aimed at the formation of an alliance, or Slovenia's decision to remain within the federation).

"Together with Serbia, everything should be done to weaken the will and resolve of the Slovene leadership and people for dissociation from Yugoslavia. Talks between political subjects in Yugoslavia on the resolution of the crisis and finding solutions for coexistence of the Yugoslav nations should be prevented. If the Army's withdrawal from Slovenia is hampered and if confiscated arms, equipment, and facilities are not returned on time, warning air attacks should be carried out on certain targets, or else the Army's withdrawal should be aborted and units should be kept in full combat readiness in the Maribor, Ljubljana, Postojna, and Novo Mesto regions. Slovene representatives should be excluded from the process of negotiations, and the Yugoslav Army option for the resolution of the Yugoslav crisis should be imposed, so none of the problems of the federation and its possible disintegration is resolved without participation of the top army leadership."

"Popular discontent," the text goes on, "should be directed against bodies of power. Territorial aspirations of neighboring countries over parts of Slovenia and

Croatia should be fostered," the text concludes. Copies of the text were handed to journalists today.

Croatia

Tudjman Seeks European Help

AU0708123791 Munich SUEDDEUTSCHE ZEITUNG in German 7 Aug 91 p 10

[Interview with Croatian President Franjo Tudjman by Peter Sartorius; place and date not given: "European Intervention Can Prevent the Worst"]

[Text] [Sartorius] Mr. President, the news from the battle area in Croatia is getting more frightening every week. The EC's mediation efforts were abandoned last weekend [3-4 August]. Given the current situation, do you still see a chance for a peaceful solution in the conflict between Croatia and Serbia?

[Tudjman] I am convinced that Serbia, despite its expansionist policy, will have to finally accept a political solution, because it faces a resolute Croatian defense and the commitment of the EC. In this connection, I would like to stress particularly Germany's role. I do not know how many lives, however, this will cost on our side.

[Sartorius] So far, the Croatian defense concept has not been very successful.

[Tudjman] As a matter of fact, we had a defense strategy, but we had no chance to arm our forces. Prior to the free and democratic elections, the Croatian Territorial Defense Forces were disarmed. This was not the case in Slovenia and Serbia.

[Sartorius] The Yugoslav Federal Army is increasingly intervening in the fight by Serbian guerrillas against the Croat police and the Croat National Guard—on the side of the Serbs. When will you openly declare war on the Army?

[Tudjman] This is a continuation of your first question. We did not have sufficient armed forces, and we wanted to avoid an open conflict with the Army because of the high number of victims that such a conflict might involve. In addition, a conflict with the Army would entail a more intensive commitment among the Serbian minority. We know that the majority of the Yugoslav People's Army is against Croatia's democratic government. However, there are Army members who would accept a political solution. For this reason, we are trying to prevent a general war. If the whole Army should openly turn against Croatia, however, we will call on the Croatian people to fight against the Army. We hope for the support of Europe and of the whole world in that case.

[Sartorius] Basically, you did that with your appeal in your speech to the assembly last week, without elaborating what you mean by the mobilization of the population.

[Tudjman] The mobilization was announced for the areas of conflict, to the extent that our weapons make it possible.

[Sartorius] However, Croatia does not have any territorial defense forces like the ones that were established in the other Yugoslav republics in the past. You just stated that these armed forces were disarmed. In Slovenia, the militia-like troop remained intact and proved to be the decisive weapon against the Army. Why was this not possible in Croatia?

[Tudjman] This has always been the strategy of Serbian policy and of the Yugoslav People's Army. The strategy is aimed at allowing Slovenia to secede and at suppressing Croatia. For this reason, the Territorial Defense Forces were disarmed. Now that Serbia has realized that it cannot suppress the whole of Croatia, it contents itself with amputating parts of Croatia and adding them to a greater Serbia.

[Sartorius] Would Croatia be willing to accept some kind of territorial compromise to ensure peace?

[Tudjman] No, we are not willing to give even the smallest piece of land to Serbia. These areas have never been part of Serbia. We have 12 percent Serbs in Croatia, but they are not all in one area. The example of Knin (where 85 percent of the population are Serbs—the editors) also shows that it is not possible to give away territory. The geopolitical situation makes this impossible because in that case northern Croatia would be separated from southern Croatia, from its southern coastal region.

[Sartorius] Mr. Tudjman, since the weekend you have been governing with a new cabinet, which includes ministers from all parties. Do you expect this war cabinet to govern more efficiently than the past cabinet?

[Tudjman] Yes, absolutely. The composition of the cabinet reflects—also formally—the unity of the whole Croat people. However, I would not describe it as a war cabinet. It is a cabinet of experts and of democratic unity, a younger and more dynamic cabinet that is able to tackle the problems we are facing in a better way.

[Sartorius] Will Europe still be able to make a decisive contribution to solving these problems after all the diplomatic failures? How do you see the EC's role?

[Tudjman] The EC plays an extremely important role, both regarding the support for democratic development and the help in the search for a way out of the Yugoslav crisis. Generally, the European efforts thwarted Serbian attempts to settle the conflict with weapons. We also appreciate the current European commitment and we believe that, despite the failure in Belgrade (where mediation efforts of the EC troika were abandoned—the editors), these activities had a certain effect. In Belgrade attempts are being made to prevent the internationalization of the problem. We believe that, after the failure of the EC mission—the essence of the problem has become

known to the public and is much clearer now. We hope that the EC will continue its efforts. I would like to express great satisfaction about Germany's role in this connection, particularly about the role of Chancellor Kohl and Foreign Minister Genscher. In the next few days we will also try to initiate the CSCE crisis mechanism, in which Genscher plays the leading role. Only international support and action by Europe or the United Nations—maybe also a peace conference or peace troops—can help settle the conflict and prevent the worst, open war.

[Sartorius] Who should participate in a peace conference?

[Tudjman] In any case, representatives of the EC. Europe must be interested in peace in this geopolitically very important region between Central and southeastern Europe and the Middle East.

[Sartorius] When will Croatia start to implement its independence? At present, the implementation is suspended under the Brioni moratorium.

[Tudjman] We are turning to the world now and expect recognition of our independence. Any step in this direction would make the spreading of a war impossible in practical and diplomatic terms. After the expiration of the moratorium we will do everything possible to solve the existing problems in a peaceful and democratic way. This means that we will either secede or organize a confederation of states among the independent countries of Slovenia and Croatia, and other interested republics. However, in view of Serbia's aggressive steps, there is little hope that this will be possible. The only option will probably be secession.

[Sartorius] Mr. Tudjman, let me ask you a final question. You were a partisan commander during the war. Will your country have to wage another partisan war in the near future?

[Tudjman] A partisan war has already started in Croatia. A dirty war is being waged against Croatia. However, if a political solution is found and if Serbia's desire for a greater Serbia at Croatia's expenses vanishes, this war will disappear as well. At the end of this interview, please allow me to extend my sympathy to the family of Egon Scotland and express my profound regret that a German journalist was killed on Croatian territory.

Government Rejects Cease-Fire Decision

LD0708180891 Belgrade TANJUG Domestic Service in Serbo-Croatian 1741 GMT 7 Aug 91

[Text] Zagreb, 7 Aug (TANJUG)—"The government of the Republic of Croatia, in accordance with decisions adopted by the Croatian Assembly on 3 August this year, confirming its dedication to the peaceful and democratic settlement of the Yugoslav crisis, is accepting the unconditional cease-fire offered by decisions of the SFRY Presidency and is taking upon itself the obligation that it will not be the first to violate it," a statement from today's session says.

However, the government of the Republic of Croatia decided this evening to refuse to accept the very same decision of the SFRY presidency, in the light of the following facts:

1. These decisions do not define the warring sides, and the aggressor in the conflict is given a mediating role;

2. These decisions provide grounds for bypassing international political initiatives for the peaceful and democratic settlement of contentious questions.

MUP Declares Cease-Fire 'Does Not Apply'

LD0708193391 Belgrade TANJUG Domestic Service in Serbo-Croatian 1902 GMT 7 Aug 91

[Text] Zagreb, 7 Aug (TANJUG)—The Croatian Ministry for Internal Affairs [MUP] believes that the SFRY Presidency decisions on absolute and unconditional cease-fire on the territory of the Republic of Croatia is not clear enough and does not apply to the forces of the Ministry for Internal Affairs. [Interior] Minister Ivan Vekic said this at this evening's session of the Croatian government. He stated that "the forces of the Ministry for Internal Affairs are charged with establishing peace and order, and it is inconceivable that they should withdraw or take up new positions behind some demarcation line." Vekic asked that term "all sides" be defined, and then went on to emphasize that the forces of the Ministry for Internal Affairs were instructed not to open fire, "and also not to withdraw from flashpoints of crisis."

In a discussion on the latest Presidency decision, the vice president of the Croatian government, Zdravko Tomac, said this evening that the cease-fire should be endorsed, "but this does not mean that Croatia is agreeing to redraw the borders of the Republic of Croatia." Justice and Administration Minister Bosijlko Misetic assessed that the Presidency decision is unacceptable and "is an act of political cynicism." Misetic holds that the decision "grants legitimacy to the occupation of Croatia, and even the cutting off of its territory."

Minister of Foreign Affairs Zvonimir Separovic noted that acceptance of the SFRY Presidency decision on cease-fire would have "far-reaching implications." He proposed that "recognition of the other side" be refused and that [Croatia] should dissociate itself from the cease-fire commission. Minister without portfolio Zvonko Baletic described the decision as "unclear, and even a fraud." In Baletic's assessment, accepting the decision would mean breaking off from the "friends abroad who called for international cease-fire control." In the words of Drazen Budisa, "accepting the decision would mean recognizing the legitimacy of 'the other side' as well as recognizing the 'status quo'."

Croatian President Franjo Tudjman, too, agreed with several ministers who refused to accept the decision of the Presidency, noting that "the decision is not acceptable, because it does not observe the integrity of the Republic of Croatia within the existing borders." "Accepting the decision would mean capitulation and an insult to the Croatian people," said Greguric.

Official Says No Negotiations With 'Terrorists'

LD0708181491 Belgrade TANJUG in English 1613 GMT 7 Aug 91

[Text] Zagreb, August 7 (TANJUG)—Milan Brezak, assistant to the interior minister of the Yugoslav Republic of Croatia, today said that Croatia will "undertake everything for a ceasefire" but that it will not negotiate with "terrorist formations or fictional quasi-state entities."

Brezak told a news conference that the so-called Serbian region Krajina, which was formed by municipalities in Croatia predominantly populated by Serbs, "legally does not exist."

Serbs in Krajina, like Serbs in Slavonia and Baranje, have proclaimed autonomy and do not recognize Croatian authorities. In the territory of these regions fierce armed clashes continue between members of the Croatian para-military armed formations and the armed Serbian population.

Brezak today accused "terrorists and parts of the Yugoslav Army" of committing "a crime against humanity" in Croatia.

Berzak added that despite the ceasefire the culprits will be held responsible for the "genocide which includes forcing the population to move out," as well as "war crimes against the wounded, sick and prisoners."

Split Command Protests Block on Gas Supplies

LD0708165291 Belgrade TANJUG in English 1557 GMT 7 Aug 91

[Text] Split, August 7 (TANJUG)—The naval base command in Split today protested against a decision of the 'Montkemija' factory of Omis, near Split in the Yugoslav Republic of Croatia, to halt deliveries of gases to units and institutions of the Yugoslav People's Army (JNA).

'As the deliveries regard gases (such as for example oxygen) used in health facilities, we simply cannot believe that something like this could happen,' the protest points out. The naval base command warns that the operation of the army hospital in Split is even in jeopardy, 'which has always been an integral part of healthcare in Split, Dalmatia and Croatia.' Civilians account for 60 percent of the army hospital's patients annually.

General Manager of Montkemija Slobodan Baucic today said that the decision to halt deliveries of gases to army units was made by Montkemija 'at the demand of the Energy and Industry Ministry of the Republic of Croatia.' A letter of Energy and Industry Minister Dr Bozo Udovicic dated July 30 demands halting deliveries of gases to the Yugoslav Army 'because of its failure to observe the Brioni declaration and to withdraw troops to army barracks.'

General Manager Baucic claims that the measures do not apply to health facilities and that they will be regularly supplied with gases as prior to the order of the Croatian ministry.

Ministry Will Charge Attackers With War Crimes

LD0708151591 Belgrade TANJUG Domestic Service in Serbo-Croatian 1228 GMT 7 Aug 91

[Text] Zagreb, 7 Aug (TANJUG)—At the beginning of the attack on the Republic of Croatia, we encountered planting of explosives and armed attacks, which are criminal acts of terrorism. However, in the past two months, when larger military operations started in Croatia, in which both members of a part of the Yugoslav People's Army and the terrorists took part, criminal acts "against international law and humanity" have been carried out, said Milan Brezak, deputy minister for internal affairs of Croatia, at a regular news conference at the [Croatian] Assembly today.

Despite the cease-fire, which has no connection with the court and investigation processes, all those who took part in these actions, will be held responsible for the criminal act of genocide, which also calls for expulsion from the country. According to Brezak, they will also be held responsible for war crimes against the civilian population, war crimes against the wounded and the sick, against the prisoners, as well as the war crimes of destruction of cultural and historical monuments.

Milan Brezak especially mentioned, in his talks with journalists, that Croatia will do everything to bring about the cease-fire, but that it will not negotiate "with terrorist formations or fictitious parastate entities," such as, he said, the so-called Serbian Autonomous Region of Krajina, which is "legally a nonexistent institution."

Krajina: No Withdrawal Unless Croats Withdraw

LD0708152191 Belgrade TANJUG Domestic Service in Serbo-Croatian 1431 GMT 7 Aug 91

[Text] Knin, 7 Aug (TANJUG)—"We shall observe the Presidency decision on unconditional and absolute cease-fire and withdrawal to predetermined lines. We expect that the other side will do the same", Milan Babic said at today's news conference.

"Krajina" forces, Babic said, are still on their positions, but are ready to withdraw. It would be best if both sides withdraw simultaneously and without provocations such as occurred around 1200 today in the Gracac municipality. Babic also said that there are no indications that forces of the [Croatian] Ministry for Internal Affairs and

the National Guard Corps intend to withdraw in line with the Yugoslav Presidency decision. "We shall not withdraw unless the other side withdraws," Babic warns.

The official press officer of the Knin corps, Colonel Nikola Acimovic, said that there were no conflicts in northern Dalmatia last night.

The president of the Benkovac municipality, Zdravko Zecevic, welcomed the cease-fire decision, stressing that it was well conceived but the question is how to enforce it. He believes that the Yugoslav People's Army will play the crucial role now and "we need neither white nor blue helmets."

Zecevic, as well as Milan Babic, holds that if a truce comes into force, we can talk with Croatia "only on an equal basis and about final dissociation."

Cease-Fire Holding Up in Knin Area

AU0708170291 Belgrade Radio Belgrade Network in Serbo-Croatian 1300 GMT 7 Aug 91

[Danko Peric report from Knin]

[Text] For almost all of last night and this morning, there has been no gunfire around Bratiskovci, in the Sibenik hinterland, and in other places 30 to 40 km from Knin that were battlefields until yesterday. However, (?just before) 2300, there were some shots fired from the Croatian police (?station) in the village of Polaca near Benkovac, toward the nearby villages with majority Serb populations. The word truce is a word which has gained meaning since this morning.

Today, the decisions of the SFRY Presidency (?mean that agreement has been reached). We have [word indistinct] all actions. We are going to keep the positions and territories gained, say people in the armed forces headquarters of the Serbian Autonomous Region of Krajina in Kistanje. They add: We are also going to comply with all other orders of the SFRY Presidency, but we are not going to withdraw. The other side may withdraw, but the line is known, it is the border line between the Serbian Autonomous Region of Krajina and the Republic of Croatia.

The refugee issue is no longer of prime importance and has been taken over by civilian defense. The refugee issue can illustrate the people's behavior in this truce situation. We have managed to find a man in charge of this large program, and have learned that the number of refugees in Kistanje and nearby has been reduced by 10 [number as heard] because so many people returned this morning to the villages of Ostrovica and Bratiskovci. There are now 1,852 homeless people who have been accommodated in the Kistanje elementary school, private houses, and in the nearby villages. There are 864 refugees in Kistanje now.

At this moment, a news conference is under way at the Knin Communal Assembly building on the occasion of the peace initiative of the SFRY Presidency and its (?success) in bringing peace to this region. Statements regarding these events will be presented by Dr. Milan Babic, president of the government of the Serbian Autonomous Region of Krajina. He represents one side taking part in these peace talks and in establishing the truce, whereby its right to negotiate and therefore its legitimacy have been recognized.

Army Withdraws From Solta Island

AU0808081191 Ljubljana Radio Slovenia Network in Slovene 0500 GMT 8 Aug 91

[Text] Late last night, the Yugoslav Army, which had carried out a ship and helicopter landing on the island of Solta near Split on 6 August, started to withdraw. The helicopters have already left the island, while the military ships have made the island's two ports accessible again. The Yugoslav Army has not yet issued an official statement on the withdrawal. All of the 170 children participating in the English language summer school left the island yesterday afternoon.

Overnight Conflict Update; Truce 'Unstable'

LD0808071291 Zagreb Radio Croatia Network in Serbo-Croatian 0600 GMT 8 Aug 91

[Excerpts] There were no explosions in Osijek overnight. That the truce which came into force at 1800 yesterday was holding was confirmed yesterday by Bogic Bogicevic and Vasil Tpupurkovski, members of the Yugoslav Presidency, in their talks with the Osijek municipal organs and the crisis headquarters for Slavonija and Baranja. However, this truce is as unstable as this year's summer. [passage omitted]

There was no incidents in the Vinkovci municipality.

The latest troublespot to surface in eastern Croatia is Baranja and primarily the village of Jagodnjak with an increasing concentration of weapons and ammunition. From midnight to 0300 eight mortar shuells were fired at the Baranja village of Ceminac and two on the village of petlovac. There were no casualties in these incidents.

Soon before midnight in the village of Darda as yet unidentified attackers fired shots from a passing car at a police patrol slightly damaging the police car. No one was hurt.

'Fierce' Battle in Kostajnica Reported 6-7 Aug

LD0708173191 Belgrade TANJUG Domestic Service in Serbo-Croatian 1642 GMT 7 Aug 91

[Excerpt] Kostajnica, 7 Aug (TANJUG)—One of the fiercest conflicts in Banija since the beginning of the year took place in and around Kostajnica last night; Kostajnica is completely deserted, except for members of the Croatian National Guard corps.

During the night strong mortar explosions occurred in the region of Cukur Hill and the village of Velesnje, and according to reports from the Dvor na Uni war headquarters, a fierce armed conflict took place between the Croatian Guard and fighters of the 7th Banija Shock Division. The conflict started a little after 2000 [1800 GMT] yesterday, and ceased just before 0600 this morning, although there was some sporadic gunfire later.

Fighters of the territorial defense—the 7th Banija Division—Zeljko Zebic and Bogdan Sarengaca were killed in the fighting. Unconfirmed reports say that the number of casualties is much higher on both sides.

As we learned from the public security station in Bosanski Novi, there was shooting on the other side of the Una river last night, from the direction of Kostajnica toward Bosanska Kostajnica and vice versa, which caused alarm among inhabitants of the Uzice part of Bosanska Kostajnica, mainly populated by Muslims. [passage omitted]

Red Cross Symbols Said to Hide Military Actions

LD0708134491 Belgrade TANJUG Domestic Service in Serbo-Croatian 1135 GMT 7 Aug 91

[Text] Tuzla, 7 Aug (TANJUG)—During the night, national guardsmen, Croatian Democratic Community [HDZ] members, armed civilians and Croatian Republican Ministry of Internal Affairs [MUP] employees carried out an attack on the barracks in Beli Manastir, as well as on the units' positions in Borovo Selo, Bijelo Brdo and Tenja. Yugoslav People's Army [YPA] units responded to these attacks with fire, the information service of the Tuzla Corps reports.

The statement maintains that this is "yet another in a series of provocations against the YPA by the armed formations of the Republic of Croatia" so as to depict, "the army to the citizens of Croatia and to others as well as an army of occupation".

"The Vinkovci leaders and commanders of paramilitary formations are trying to prove in every possible way that the YPA is provoking conflicts in this part of Slavonia and violating the provisions implicit in international law. They do this along the pattern of their superiors who, likewise, do not allow an opportunity to slip without stressing that the YPA attacks hospitals and schools and fires on the civilian population," says the statement.

The information service of the Tuzla Corps refutes these claims stressing that "the authorities, MUP members, and the Guardsmen of the Republic of Croatia are trying to conceal their dirty designs and actions behind the Red Cross insignia." The statement lists as evidence, the information that the recently completed wing of the medical center in Vinkovci has been converted to an ammunition depot, that Red Cross insignia have been put up in the FC Cibalija stadium, and National Guard Corps forces of battalion strength have been deployed there as well.

"In Vinkovci and places around the town school playgrounds have been turned into mortar firing positions. All the churches in the villages are used as ammunition depots, while sniper or machinegun positions have been established in church towers," says the statement issued by the information service of the Tuzla Corps.

Serbia

Milosevic Interview With Sky News Reported

AU0708204291 Belgrade RTV Sat TV in Serbo-Croatian 1833 GMT 7 Aug 91

[Interview with Serbian President Slobodan Milosevic by Arnot Van Linden, head of foreign correspondents of British Sky News company; in English with superimposed Serbo-Croatian translation—recorded]

[Text] [Van Linden] Mr. President, can we begin with a question about the EC mission? The EC has had four missions in Yugoslavia, the last one ending Sunday. They say that they have failed. They said that one side has not agreed to their proposals. After he returned to the Netherlands, their minister said that the side to be blamed is Serbia.

Are you to be blamed for the failure of the EC mission?

[Milosevic] No, not at all. My explanation is very clear, simple, and it seems to me, short. The morning that the mission arrived, the SFRY Presidency decided to issue an announcement on the cease-fire. At the same time it was to set up a state cease-fire commission, which means that the SFRY Presidency decided that the Yugoslav authorities have to control the cease-fire. The Presidency made this decision almost unanimously, which means that Serbia, being only one member of the Presidency, cannot be blamed for the decision.

[Van Linden] What, in your opinion, are the reasons for the EC to accuse you?

[Milosevic] It is best to ask them to explain this to you, not me. We have had very good, constructive, and long talks. They have just asked me why I refused to receive them, and they know very well that we met three times in one day and had very open talks about all questions, without any problems.

[Van Linden] What is then, in your opinion, the reason for the failure of their mission? If you are not to be blamed, who is then?

[Milosevic] If you want me to try to explain my opinion, a sort of misstep is involved. When they set off for Yugoslavia, they knew that there had been no decision on the cease-fire. However, that morning, the Presidency

decided on the cease-fire. The Presidency had decided that we should set up our own, Yugoslav, control of the cease-fire. It was impossible to cancel the Presidency decision. We are an independent and sovereign country.

Also discussed was a kind of foreign military presence in Yugoslavia. We are a free and open country. You can travel anywhere as a journalist, politician, diplomat, or tourist. All foreigners are very welcome in this country, but soldiers are not.

In World War I we lost almost half our population, and almost the same happened in World War II, in the liberation struggle, so we do not like a foreign military presence in Yugoslavia, particularly when—as you very well know yourself—such a military presence is not in accordance with the independence of a state.

[Van Linden] The EC has stated that the truce is not a real one because one of the sides involved has not agreed to it, that it has voted against it. In fact, one should have a real cease-fire, and the one proclaimed by the Federal Presidency is not that. My next question: It seems now that Yugoslavia does not exist as a country, so how can federal authorities which would control the truce exist when the Yugoslavs are clashing with and fighting each other?

[Milosevic] I do not think that anyone from the outside could judge the Presidency's credibility or Yugoslav institutions. We alone must clean our own house.

[Van Linden] That means that, in your opinion, there is no longer any need for any European mediation or for any more European missions, because there is a possibility of Yugoslavs to solve that problem among themselves.

[Milosevic] I hope that we will be capable of solving this situation. We want cooperation with the EC, but we do not want interference in Yugoslavia's internal affairs. We want this to be on the basis of equality. It is well-known that we all think that we have the same attitude toward the EC declaration, that the Yugoslav crisis must be solved by the Yugoslav people themselves. Therefore, they must solve this themselves and they are going to do so.

[Van Linden] Is this your answer to what Mr. Van den Broek said in Belgrade, that politicians here are more tuned to (?the past) than to the future. How would you reply to the remarks he made here in Belgrade?

[Milosevic] It is not good if politicians think more about the past then about the future. I think that we all have to turn to the future to solve the crisis, but we have to respect experiences from the past because of the future. We must not repeat tragic experiences that we had in this country 50 years ago.

I think that people around the world are not aware of the fact that we are facing a kind of restoration of fascism in this country. (?It is a fact, you know) that this is the first example since World War II that someone armed his own party. It was in Croatia that someone started organizing paramilitary formations and demonstrating his sovereignty by attacking all Serbian villages and towns in the republic. This is something that happened in this country 50 years ago as well, (?for) you know that in the so-called Independent State of Croatia, during World War II, genocide was committed against Serbs. In one concentration camp alone, in Jasenovac, more than 700,000 Serbs, Jews, gypsies, and others were killed. We are now facing a very similar situation.

[Van Linden] But, that is past. You were just talking about the past.

[Milosevic] Yes, but this exists in some aspects of the present. There lies the problem. We must be aware of that experience from the past to be able to do everything in our power to prevent that tragic experience from reoccuring. We can be a happy, good, and successful country if we overcome this crisis of nationalism and nationalist confrontations. Everything in Yugoslavia started when nationalists in Croatia and Slovenia came into power, and the simple result of that was the decision on secession. Everything else followed.

[Van Linden] They say, however, that everything begun in 1987 when you became president of Serbia on the basis of a nationalist platform.

[Milosevic] That was never a nationalist platform. Why do you not face the truth? Now as a journalist, you can see for yourself that here in Serbia we have more than 40,000 refugee [passage indistinct] Croatia and there is not a single refugee from Serbia in Croatia. There is no pressure here, no broken windows. You can see that peace reigns on every inch of Serbian territory. We are not in conflict with Croatia. This is not a conflict between the Republic of Serbia and the Republic of Croatia. This is a conflict between the Croatian authorities and the Serbian people. This is a kind of state terrorism against the Serbian population in Croatia. They are incessantly attacking villages, shelling them with 120-mm grenades. They have started slaughtering people. They have slaughtered a peasant in the village of Mirkovci. I suppose you have been informed that a woman has been slaughtered in Krajina. Can you imagine something like that at the end of the 20th century?

[Van Linden] This is happening on both sides.

[Milosevic] No, you cannot put aggressor and victim in the same position. Peasants are only defending themselves in their villages, nothing else. Serbian villages are not on a flying carpet so they can run after the Croatian paramilitary formations. You can prove this only in those regions in which Serbs are attacked. They are defending themselves using their right to self-defense. Conflicts are happening there. They are fighting, using their right to self-defense that belongs to every individual and every people. You can see ruins and the traces of war. On the basis of this evidence you can judge the possible reasons. Perhaps the Serbs are fighting among

themselves, or are they being attacked by troops that had come to their villages and cities. What is the purpose is this?

[Van Linden] Are you saying that the Serbs are not responsible for a single attack?

[Milosevic] They are not. I think that they have always been defending themselves and nothing else. They have never committed any aggression on the territory of Croatia. By the way, throughout our history, the Serbian people have never waged an aggressive, occupational war. We have always defended ourselves and have done so very successfully. We have always won. I think that no one can defeat people who are defending their homes.

[Van Linden] Are you controlling the Serbian militia in Croatia?

[Milosevic] No.

[Van Linden] Do you have any connections with them?

[Milosevic] We are helping them in terms of food, medical equipment, medications, money, and the like. We (?are doing) a lot for them, but they are defending their own homes and no one has organized groups on these territories.

[Van Linden] If [words indistinct] and if it depends on villages themselves, to what extent can you be sure that the present truce will continue?

[Milosevic] I know the spirit of this people. I know that they will keep their word.

[Van Linden] After the events of the last month, would you accept Croatia's independence?

[Milosevic] Well, this question needs to be explained better. We are living in the country of Yugoslavia. It is one country, one land. It is the only internationally recognized subject. We are not opposing the Croatian people's right to self-determination. If they want to establish their own independent, national state, there is no reason for us to oppose that. However, if they want to leave Yugoslavia, they cannot take a section of the Serbian people with them. This right to self-determination belongs to the Serbian people as well. I think that this is very logical.

We are living in this country. All people in Yugoslavia have equal rights to self-determination. The Serbian people do not want to leave Yugoslavia. They want to remain in Yugoslavia, to live together with all people who want to live in Yugoslavia, and with Serbs, and that is all. I think that this is the only democratic and peaceful approach, respecting the will of the people. Let us check their will through a referendum and capacity to act in conformity with the will they express. Nothing will happen. There will be no conflicts, confrontations, bloodshed, or anything else, if no one wishes to hurt the interest of the other side.

[Van Linden] Let us return to what you just said: One should hold a referendum and the people should decide for themselves whether they want to be part of Croatia or part of Yugoslavia. Krajina and its people want to be a part of Serbia. However, as far as I can understand, the Serbian Assembly has failed to officially accept their desire to be a part of Serbia.

[Milosevic] This is not a proper interpretation of the will of the Krajina people. The people of Krajina have, first of all, decided to remain within, that is, a part of Yugoslavia and that is all. The Republic of Serbia has no territorial pretensions. The Republic of Serbia wants to (?keep) the integrity of Yugoslavia and to keep together all those people who want to live together with us on an equal footing in our present country. That is all.

[Van Linden] Your opponents claim that you want a great Serbia. You claim that this is not so.

[Milosevic] No, it is not so. We want to keep Yugoslavia and that is all.

[Van Linden] However, if Croatia and Slovenia leave Yugoslavia, Yugoslavia will no longer exist.

[Milosevic] (?Listen), why would I not be able to survive if somebody leaves me? In that case, Yugoslavia will be different, within a different framework, but it will continue existing as a state of equal peoples and equal republics. In that case, there will again be republics in Yugoslavia and people in Yugoslavia who want to live together.

[Van Linden] Yes, but for a (?reintegration) one needs a referendum. Serbs in Croatia, Croats in Bosnia, all that is becoming very complicated. You have a problem in Serbia itself. If the people of Kosovo say that they want to be independent, how are you going to react?

[Milosevic] What part of the people? Albanians? Albanians are a national minority in Yugoslavia. You know very well that there are no international obligations, UN or CSCE obligations, or the like which determine the right of national minorities to establish their own state. What would happen in Texas if the Mexicans on the Mexican border, for instance, tried to take away a part of Texas and accede it to Mexico. Would they be allowed to do so?

[Van Linden] But Serbs in Croatia are a minority.

[Milosevic] No, they are not. No Yugoslav people are a minority anywhere in Yugoslavia. We are living in Yugoslavia and we cannot be a national minority depending on the place we are living in. Croats are not a national minority in Bosnia, despite the fact that they are only 15 percent. They are a people. All Yugoslav peoples in Yugoslavia are equal and not one of them can be a national minority.

[Van Linden] But, if you say that there should be the right to self-determination in Croatia...

[Milosevic] Of Croats, but not of administrative territories of the Republic of Croatia, which has never been a state within these borders. We were not the side to open the problem of borders. The problem of borders was opened by secessionists. Had they not done so, no one would have said a word about that. No one would have called these borders into question. If you want to change borders, to create an independent state, to secede, then you automatically create that problem.

Jovanovic Says EC Failure Not Serbia's Fault

LD0708134691 Belgrade TANJUG in English 1253 GMT 7 Aug 91

[Text] Belgrade, Aug 7 (TANJUG)—Serbia did not assent to having foreign troops brought into Yugoslavia "through the back door" by the expansion of the EC monitor mission's area of operation to cover Croatia, Serbian Foreign Minister Vladislav Jovanovic said in an interview published today in the daily EKSPRES POLITIKA.

The term "foreign troops" is not mentioned explicitly in the memorandum offered by the European representatives, but only in the context of the expansion of the mission's size from fifty to "several hundred members," some of whom would be armed forces members in civilian clothing, Jovanovic said, adding that Serbia considered it unacceptable for foreign soldiers to be deployed in any manner in a politically independent and sovereign country.

The blame for the failure of the EC mission cannot be laid on Serbia, as the decision on observers comes within the exclusive competence of the Yugoslav Presidency, he said.

The presidency has declared a ceasefire in Croatia and assessed such services by the EC as unnecessary for the time being, Jovanovic said.

The Serbian foreign minister said the "imposition by the EC of other options, at any cost," and "laying the blame for the failure on one side only" proved that there perhaps existed an attempt to "win time in order to realize certain other goals."

Jovanovic said many already saw Yugoslavia as nonexistent, while many were assisting in its disintegration from the outside.

The dismembering of a country is a good reason for heightened interest by others, especially neighbouring countries, Jovanovic said, adding that "the breaking up of a European country with foreign assistance, threats and pressures could not possibly pass without immesurable consequences for peace, security and the establishment of a new order on the continent."

Draskovic Assails Tudjman, Milosevic

LD0708170491 Belgrade TANJUG in English 1553 GMT 7 Aug 91

[Text] Vienna, August 7 (TANJUG)—Vuk Draskovic, leader of the Serbian Renewal Movement (SPO), the strongest opposition party in the Yugoslav Republic of Serbia, has told the Austrian magazine PROFILE that Serbs and Croats should rise against dictatorship regimes in their republics. According to Draskovic, it is obvious that the presidents of the Yugoslav republics of Serbia and Croatia, Slobodan Milosevic and Franjo Tudjman, 'do not want peace, but war'.

'Both of them—Tudjman and Milosevic—are relics from the past. For them, war is only a manoeuvre for deterring the catastrophe which they alone created. They are both ready to sacrifice hundreds of thousands of lives to this aim', Draskovic said. According to Draskovic, negotiations should be started immediately, to be attended by the present republic leaders, and by all the representatives of the opposition, prominent figures from the fields of culture and science in both republics, and also representatives of the European Community, the Soviet Union and the U.S..

Draskovic also received a delegation of Austrian parliamentarians, currently visiting the Republic of Serbia, it was announced today in Belgrade. On this occasion, he reiterated that negotiations on the relations between Serbia and Croatia should include opposition parties, and 'possibly representatives of the E.C., the U.S. and the Soviet Union'.

Democratic Leader Urges Negotiations

LD0708182491 Belgrade TANJUG in English 1650 GMT 7 Aug 91

[Text] Belgrade, August 7 (TANJUG)—Serbian Democratic Party Leader Dragoljub Micunovic stated today that his party had called all Yugoslav parties represented in the federal parliament to hold negotiations.

Michunovic, whose party is the second strongest opposition party in the parliament of the Yugoslav Republic of Serbia, told a press conference here that the meeting should be held later this month and that the invitation had been accepted by 14 parties from all of the Yugoslav republics. The Democrats have decided to take this step because they were "dissatisfied with the manner of resolving the yugoslav crisis", Micunovic added.

He stressed that his party was in favour of respecting the internal and external borders of Yugoslavia and added that changing the latter while maintaining the former was not acceptable.

"If Europe respected every people's right to self-determination, then this must apply to the Serbian people", said Micunovic. He called upon Europe to cease giving hints about recognition of Slovenia and Croatia, if the integrity of Yugoslavia were really supported.

Micunovic criticized the ruling Serbian Socialist Party MPs for having recently received a delegation of the neofascist and irredentist Italian Social Movement.

Reservist Movements in Kosovo Reported

AU0708141991 Zagreb Radio Croatia in Albanian 2045 GMT 6 Aug 91

[Text] About 500 Serbian reservist soldiers have been stationed in the village of Sllatine e Ulet for about two weeks. After first occupying the village, they have now moved away to a distance of about 200 meters. Anti-tank mines have been laid at a distance of 50 meters round the house of Ramadan Berisha. Bullets have been found in the village's fields, apparently forgotten by the soldiers and reservists. Kosovo Democratic Alliance activists in the village call on citizens not to touch either the mines or bullets, but to report them to the village's activists.

A group of Serbian and Montenegrin military reservists also surrounded the homes of the Kryeziu families near the Balkan factory in Suva Reka this morning. The spokesman of the Albanian Republican Party in Suva Reka reports that the reservists fired automatic rifles.

Bosnia-Hercegovina

Izetbegovic Supports Dialogue With Serbs

LD0708125591 Belgrade TANJUG in English 1146 GMT 7 Aug 91

[Text] Belgrade, Aug 7 (TANJUG)—President of Bosnia-Hercegovina Alija Izetbegovic says he supports dialogue with the Serbs on all questions linked with the fate of that Yugoslav republic, but that he is against a 'historic agreement' between the Serbs and the Muslims concluded without the participation of the Croats.

Izetbegovic says in an interview published today by the Zagreb daily VECERNJI LIST that such an agreement must include the Croats, because Bosnia-Hercegovina is by definition a republic of three major ethnic communities.

Bosnia-Hercegovina is Yugoslavia's central republic, where three national parties share power: the Party of Democratic Action (SDA, the party of the Muslims), the Serbian Democratic Party (SDS—the Serbs), and the Croatian Democratic Union (HDZ, supported by the Croats).

Forty-two per cent of the republic's population are Muslims, 32 per cent are Serbs and 17 per cent Croats, and all are constitutionally defined as having state-building qualities.

The 'historic agreement' with the Serbs was initiated last month by the Muslim Bosnian Organization (MBO), which proceeded from an assumption that in the current circumstances Bosnia-Hercegovina cannot remain intact and calm if there exists a conflict between the Serbs and the Muslims.

Izetbegovic, president of the republican presidency and also head of the SDA, emphatically stated in a Sarajevo television broadcast last night that the Muslims 'will not accept a truncated Yugoslavia,' i.e., one without Slovenia and Croatia.

'We must find a solution which is also suitable for Slovenia and Croatia—we have not written them off yet,' Izetbegovic said.

Dr. Nikola Koljevic, a republican presidency member and an SDS leader, says in an interview published today in the Belgrade daily POLITIKA that both the Serbs and the Muslims 'will not allow their fate to be decided by Mr. Tudjman' (the president of Croatia).

Denying that the agreement would constitute any sort of conspiracy by two peoples against a third, Koljevic says the SDS has already offered its coalition partners cooperation.

The HDZ and the SDA have regrettably opted for 'an anti-Serbian coalition' by conspiring behind the backs of the Serbian people, Koljevic opines, adding that this can be seen easily by the way in which the Serbs are constantly being outvoted in the parliament of Bosnia-Hercegovina and its government.